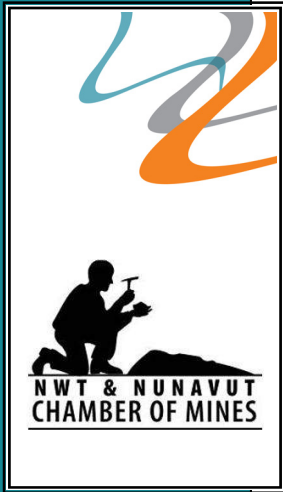


Northern Mining News

Volume 5, No. 4

April 2012



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From the Executive Director ...

This has been quite the spring with significant announcements from the Federal Government on regulatory reform. In this issue, we highlight some of the positive statements from the Prime Minister, and the Natural Resources Canada Minister in support of our industry.

Also have a look at the size of the royalties that Canada has shared to date with northern Aboriginal groups as part of their land claims commitments. This is what the Territorial Governments want to negotiate under devolution, and seems the Aboriginal groups have had that piece of devolution for some time now.

Data from Statistics Canada on real GDP shows Nunavut leading Canada, and the NWT in last place, reminding us that we need to increase productivity in the NWT. Also some nice stories on mining awards handed out at the largest Nunavut Mining Symposium yet.

Happy reading!

... Tom Hoefer

Our Mission: To be the leading advocate for responsible and sustainable mineral exploration and development in the NWT and Nunavut.

Canada Launches “Responsible Resource Development”

On April 17, the Government of Canada’s Natural Resources Minister Joe Oliver announced Canada’s new initiative for Jobs, Growth and Long-Term Prosperity under Canada’s Economic Action Plan. Titled “Responsible Resource Development”, the initiative has four main pillars:

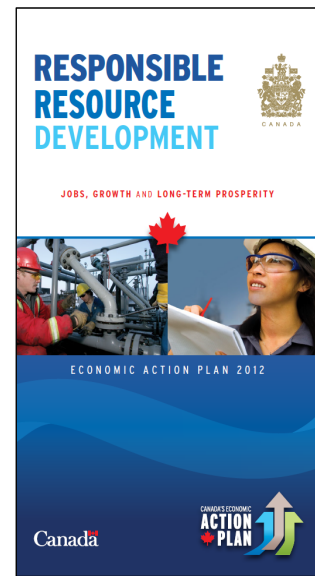
- First, more predictable and timely reviews;
- Second, less duplication in reviewing projects;
- Third, stronger environmental protection; and
- Fourth, enhanced consultations with Aboriginal peoples

A copy of the pamphlet describing the initiative is available for download here:

<http://www.actionplan.gc.ca/eng/media.asp?mode=preview&id=5288>

The Minister made some strong observations that are very valid for northern Canada. Following are some of his “quotes” with some chamber editorial commentary added in [brackets].

- “We are at a critical juncture because the global economy is now presenting Canada with an historic opportunity to take full advantage of our immense resources.” [The NWT and Nunavut shouldn’t miss this tremendously important market opportunity to grow their economies. It will very much help in a post devolution northern economy. And it’s questionable if such a unique opportunity will ever come again.]
- “It is projected there could be more than 500 major projects representing half a trillion dollars of new investments in our energy and mining industries over the next decade.”
- “What a fantastic opportunity for Canadians across this great country. But we must seize the moment. These opportunities will not last forever.”
- “We need to tap into the tremendous appetite for resources in the world’s dynamic emerging economies -- resources we have in abundance.” [Perhaps we should thank countries like China and India and Brazil for putting this opportunity before us.]
- “We have to compete with other resource-rich countries for fast-growing markets and scarce capital. And we must do it now.” [Chile alone has attracted US\$91 billion in mining investment over the next 8 years.]
- “To do that, we need a process that ensures timely, efficient and effective project reviews, promotes business confidence and capital investment, while strengthening our world-class environmental standards.”



Much of the minister’s comments echo in the North too, where most optimistically, NWT and Nunavut could see \$10 billion in new investment in 14 new projects in the next decade.

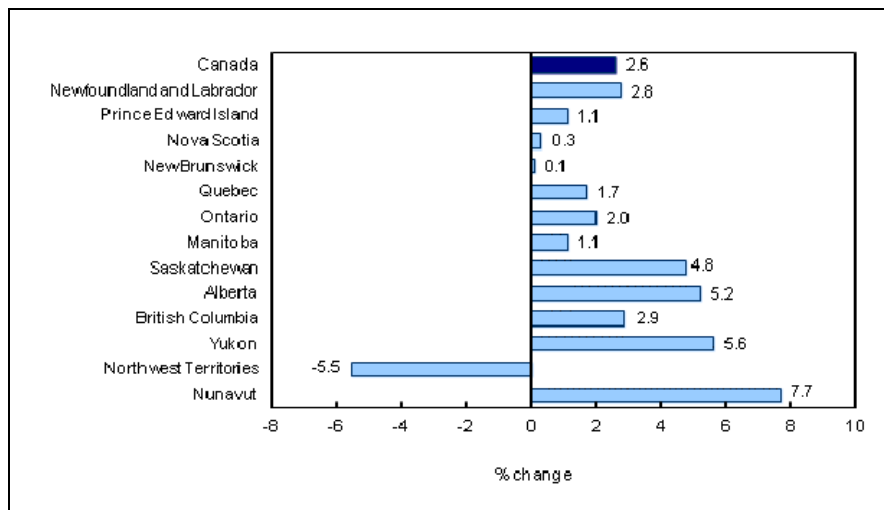
Real Gross Domestic Product – Nunavut leads Canada & NWT hits last place

Statistics Canada reports that Real Gross Domestic Product (GDP) by industry increased in 2011 in every province and territory except the Northwest Territories.

Nunavut had the fastest growth in the country, followed by Yukon, Alberta, and Saskatchewan owing to exploration, mining and related construction activities. Nationally, real GDP rose 2.6% in 2011 after increasing 3.4% in 2010. The NWT not only is in last place, but saw the only drop in GDP in the country.

Natural resources are clearly the competitive advantage for the northern economies, and when those industries are healthy, so is the economy. Since Real GDP is a measure of production, in the North it is a measure of the health of our non-renewable resource production.

The statistics help bolster the need for attention in the NWT to help turn this situation around. Production from the diamond mines has declined, as has oil and gas production. There are six potential mining projects in the planning stages which will help, as could extend the lives of the diamond mines. The NWT Government's stated priority to develop an NWT Minerals Strategy will play an important role in building the foundation for the next 10 years.



In Nunavut, real GDP increased 7.7% in 2011 following an 11.3% increase in 2010. Output of gold and silver ore mining increased for the second consecutive year. The high price of gold spurred exploration activity and construction as work on a new mine got underway. Non-residential building activity decreased in 2011 following two years of growth. Wholesale trade declined as a result of reduced wholesaling of machinery and equipment. The NWT economy will be tremendously assisted with a minerals strategy. Minister David Ramsay is fully in support of this.

In the Northwest Territories, real GDP fell 5.5% in 2011 following a 1.3% increase in 2010. Output of mining and oil and gas extraction declined 13%, led by a significant drop in diamond mining. Support activities for mining and oil and gas extraction posted a 21% gain, supported by higher exploration activity. Construction declined 5.3% as increased construction activity at new mines was offset by a decrease in the building of commercial and institutional structures.

Royalties shared with Aboriginal Groups – some devolution already in place?

Devolution has become an important topic for discussion in the North, as both the NWT and Nunavut are eager to take over responsibility for land and non-renewable resource management. One attractive aspect of devolution for both territorial governments is to acquire from the Federal Government the ability to collect royalties directly from resource developers.

Interestingly, that aspect of devolution has already been occurring privately, with the Federal Government sharing a portion of those royalties from Crown lands with Aboriginal groups that have settled land claims.

In Nunavut, it's quite simple as there is only one land claimant group, Nunavut Tunngavik Inc. Under the Nunavut Land Claim Agreement, Canada shares royalties collected in Nunavut with NTI per this formula:

- *Fifty percent (50%) of the first two million dollars (\$2,000,000) of resource royalty received by Government in that year; and five percent (5%) of any additional resource royalty received by Government in that year.*

In the Northwest Territories, it is more complex as there are a number of land claim groups who have negotiated different terms, and not all claims are settled.

Both the Gwich'in and the Sahtu Land Claim Agreements state that the Government of Canada will pay to each the Gwich'in and the Sahtu the following share of Crown royalties:

- *7.5 percent of the first \$2.0 million of resource royalty received by government in that year; and 1.5 percent of any additional resource royalties received by government in that year.*

The Tlicho Land Claim Agreement states the Tli Cho are to receive from the Crown:

- *10.429 percent of the first \$2.0 million of mineral royalties received by government in that year; and 2.086 percent of any additional mineral royalties received by government in that year.*

What is interesting in the NWT is that royalties collected by Canada from Crown lands in one region are shared with land claimants in other regions who have no asserted Aboriginal rights to the lands around the mines. So the Gwich'in and Sahtu beneficiaries collect a share of the royalties that the diamond mines generate in the Tlicho and Akaitcho regions. Presumably, the Tlicho also get some royalties generated from Sahtu region's oil production.

This is an interesting situation created by Canada. Could it help unite the NWT's diverse regions? Might regions with no resource development underway celebrate mining success in other regions?

So how much has the Federal Government been paying over the years, you ask?

In the NWT, Canada has shared almost \$35 million of the diamond royalties received (no accounting for oil and gas has been made) with the three settled land groups with royalty sharing provisions in their claims, as per the following table:

Diamond Royalties Shared by Canada with Settled NWT Land Claimant Groups			
Fiscal Year	to Gwich'in Tribal Council	to Sahtu Secretariat Inc.	to Tli Cho Government
2001	\$510,174.34	\$510,174.34	
2002	\$896,907.34	\$896,907.34	
2003	\$1,745,928.23	\$1,745,928.23	\$1,179,242.31
2004	\$1,523,112.49	\$1,523,112.49	\$2,118,125.35
2005	\$660,389.96	\$660,389.96	\$918,368.24
2006	\$225,781.81	\$225,781.81	\$313,981.36
2007	\$1,398,685.59	\$1,398,685.59	\$1,945,089.93
2008	\$1,306,921.23	\$1,306,921.23	\$1,817,477.17
2009	\$498,641.22	\$498,641.22	\$693,431.55
2010	\$1,804,291.69	\$1,804,291.69	\$2,509,150.77
2011	\$957,882.79	\$957,882.79	\$1,332,079.09
TOTAL	\$11,081,331	\$10,814,452	\$12,826,945.77

Source: Minerals Directorate, AANDC, April 2012. Note: "Variations between total royalties reported and diamond royalties reported arise from differences in accounting and reporting periods for collection and payment."

In Nunavut, Canada has shared with NTI nearly \$11 million dollars in royalties received from mining on Crown lands as per the following table. These were paid to the Nunavut Trust.

These are not inconsequential payments by Canada to settled land claims and as more claims are settled in the NWT, more moneys from Crown lands will be shared with Aboriginal groups.

Of course, if new and profitable mining and oil and gas development occurs on Crown lands, Aboriginal claimant groups will benefit even further. Is it incentive for regions to support development on Crown lands? Are these windfall moneys that the Aboriginal groups could reinvest in initiatives to attract additional resource development? Interesting questions.

None of this discussion reflects additional royalties that could be created from non-resource development on private, Aboriginal lands. These royalties could be huge if the resources are large and profitable. It has been calculated that should the Baffinland Iron Mine proceed, because some of the ore bodies are on Inuit owned lands, the mine could pay out \$100 million annually to Nunavut's Inuit!

Once devolution of Crown non-renewable resources to the northern governments is completed, the remainder of the royalties collected will go directly to those territorial governments.

Royalties Shared with NTI	
Fiscal Year	Royalties
1993-94	\$1,260.00
1994-95	\$53,060.00
1995-96	\$1,089,078.00
1996-97	\$1,018,000.00
1997-98	\$1,034,221.00
1998-99	\$1,170,572.00
1999-00	\$1,303,944.00
2000-01	\$1,289,717.00
2001-02	\$1,123,387.00
2002-03	\$183,528.00
2003-04	\$17,600.00
2004-05	\$1,000.00
2005-06	\$22,413.00
2006-07	\$22,953.00
2007-08	\$3,738.00
2008-09	\$0.00
2009-10	\$0.00
2010-11	\$2,249,500.00
2011-12	\$387,000.00
TOTAL	\$10,970,971.00

Nunavut and Agnico-Eagle sign MOU for Kivalliq youth

On April 18, Agnico-Eagle Mines signed a memorandum of understanding (MOU) with the Government of Nunavut's (GN) Department of Education to maximize the capacity of Inuit youth in pursuing skilled trades and professional careers.

"This is a truly exciting time for young Nunavummiut. Career opportunities for youth have never been so broad or accessible," said Premier Eva Aariak, Minister of Education. "I am thrilled about our partnership with Agnico-Eagle and look forward to our continued cooperation and success."

This MOU strengthens the partnership between the GN and the mining company, and focuses on increasing the number of students in the Kivalliq region who will be able to successfully transition from high school to trades and mining-related careers.

The Department of Education and Agnico-Eagle will implement youth engagement initiatives, and encourage students to stay in school by sharing resources and expertise in the development of mine and trades-related curriculum and career development activities.

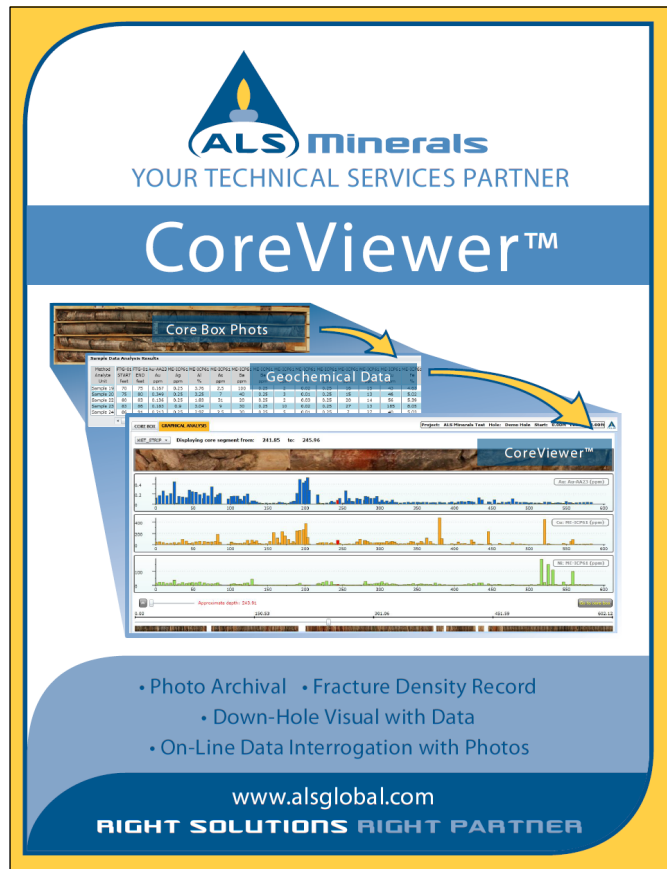
"We are very pleased to be participating in this partnership agreement with the Government of Nunavut to encourage students to pursue skilled trades and professional careers in mining," said Agnico-Eagle's Senior Vice-President of Operations Yvon Sylvestre. "Agnico-Eagle is deeply committed to ensuring that we are able to make a significant and positive difference in the Kivalliq region and this agreement provides our future workers with the incentive and opportunity to pursue their dreams."

The mining sector plays a significant role in local, regional and territorial economic development through job training, job creation and opportunity for growth for Nunavummiut.

Nunavut's Minister Taptuna supported mineral exploration tax credit

On behalf of Nunavut Territory, the Honourable Peter Taptuna, Nunavut's Minister of Economic Development & Transportation has commended the Federal Government for including the extension of the Mineral Exploration Tax Credit (METC) in the recent Federal budget.

In a letter addressed to Federal Minister of Finance Jim Flaherty and Minister of Natural Resources Joe Oliver, Minister Taptuna wrote:



I wish to commend your ministry for including The METC is of greatest significance to our junior mining companies. They fulfil a vital role in the early, speculative part of the exploration continuum. In the early years in Nunavut (ten or so years ago), about 70% of all exploration spending was by the Juniors, the rest by the major mining companies (the ‘Seniors’). Today, as we move toward more mining openings in Nunavut, the spending ratio has reversed 30:70 Juniors to Seniors. This ephemeral status does not diminish the continuing need for more grassroots exploration. The deposits we are preparing to exploit today will need to be replenished with new, as yet undiscovered deposits: precisely the job of our junior mining companies. Bringing a new discovery to mineable status takes two to three decades. Financial programs like METC and Flow-Through work hand in hand with our other common commitment, our continual investment in public geoscience. For the north, extension of the METC very definitely remains a long term investment in the sustained future of our mining industry and economic growth.

On behalf of the minerals industry, we also commend Minister Taptuna for his continued support.

AANDC Map Reference Tool – NWT Land Information Related to Aboriginal Groups

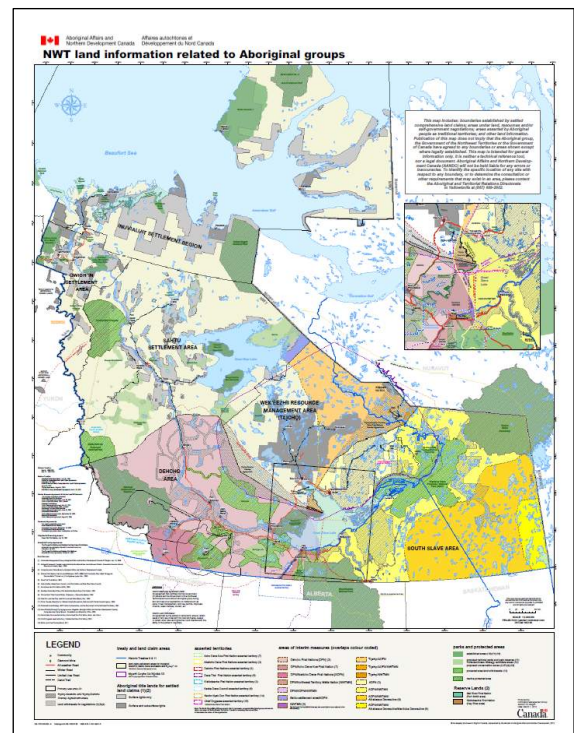
Aboriginal Affairs & Northern Development Canada’s Yellowknife office has released a map titled “NWT land information related to Aboriginal groups”.

This map is a reference tool intended to help representatives from governments, Aboriginal organizations, industry, regulatory bodies, as well as any other interested parties, understand Aboriginal rights and related interests in the NWT.

The map includes the boundaries and delineations of settled comprehensive claims; ongoing land, resource and self-government negotiations; assertions by Aboriginal groups; and parks and protected areas.

An electronic PDF version of the map has also been created. Utilizing a downloadable extension for Adobe Acrobat Reader, different layers of information can be turned on or off depending on specific interests. A customized map can be printed based on the data chosen.

The map is intended to be used as a preliminary source of information to identify the agreements, boundaries, assertions and other interests that may need to be taken into account in relation to a particular area or site in the territory. The map should not be relied upon as the only source of information, as explained by the text at



the top right hand corner of the map. The map is neither a precise technical tool nor a legal document, but rather a compilation of the best reference information available at the time of production.

To request copies, or for details on the electronic PDF version, please contact Tara Marchiori at 867-669-2584 or Tara.Marchiori@aandc-aadnc.gc.ca.

Inuit Receive First \$2m Royalty Payment from Mining on Inuit Owned Lands

On May 1, Nunavut Tunngavik President Cathy Towntongie announced that NTI received the first royalty payment as a result of mineral production on Inuit Owned Lands. The royalty payment of \$2,249,500 was made by Agnico-Eagle Mines Ltd. from its Meadowbank Gold Mine north of Baker Lake.

“The NTI Board of Directors passed the NTI Mining Policy in December of 1997 making a clear commitment to support the development of mineral resources in Nunavut if there are significant long-term social and economic benefits for Inuit, and if it is consistent with protecting the eco-systemic integrity of Nunavut. NTI worked hard to implement that policy and I am pleased to announce that we have entered a royalty stream on Inuit Owned Lands,” said Towntongie.

“Until Agnico-Eagle Mines Ltd.’s Meadowbank Gold Mine came into production, there was no mining in Nunavut on Inuit Owned Lands. Meadowbank is the first project from which Inuit have received royalties as a result of mineral title,” said Towntongie. “I’d like to congratulate Agnico-Eagle Mines in the successful operation of this project.”

Towntongie said receiving the royalty payment was a good benefit, but the exploration and mining of minerals is also providing many employment opportunities, business opportunities, and training for Inuit.

On behalf of Inuit, NTI holds title to the minerals on Inuit Owned Lands. All revenue received by NTI as a result of the mineral title is segregated, managed and distributed in accordance with the Resource Revenue Policy passed by the NTI AGM in November 2011.

Towards a More Innovative Future: Insights from Canada’s Natural Resources Sector

The Public Policy Forum has released a report summarizing its consultations around the country on “innovation” in the natural resource sector.

Towards a More Innovative Future: Insights from Canada's Natural Resources Sector is the result of six roundtables convened across Canada between June and November, 2011. The roundtable series was organized by the Forum as a follow-up to our Innovation in Canada's Resource Sector conference held in Calgary in October 2010, which focused on uncovering the current state of innovation in Canada's natural resources industry.

This roundtable series brought together senior representatives from the mining, forestry, oil and gas, fishery and agricultural resource sectors in Canada to identify the unique challenges and opportunities faced in the resource sector, assist the development of the human capital required to support innovative activities, and enhance the capacity for collaborative efforts.

As detailed in the report, the opportunities for action in advancing innovation in Canada's natural resources sector are great. Key challenges and action items have been identified in four essential areas of activity:

- Knowledge Development and Dissemination, emphasizing the need for greater collaboration and connectivity across the sector;
- Community Capacity, addressing the dual goals of community infrastructure and social license to operate and engage with local communities;
- Resiliency, Jobs and Growth, looking at the human capital needs of a growing sector; and
- Environmental Stewardship, highlighting the opportunity to position Canada as a leader in new products and processes in the green economy.

The Public Policy Forum is an independent, not-for-profit organization dedicated to improving the quality of government in Canada through enhanced dialogue among the public, private and voluntary sectors. The Forum believes that good government, robust public policy and strong democratic institutions depend on the contributions of all sectors of society.

For a copy of the report, visit:

http://www.ppforum.ca/sites/default/files/towards_a_more_innovative_future_eng.pdf



Consulting with Communities in Nunavut – A Guide

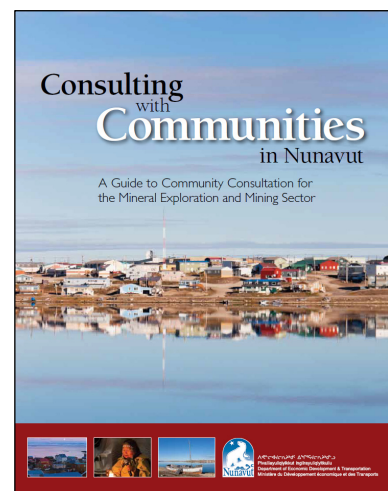
The Government of Nunavut wants to ensure that meaningful benefits from resource development flow to Nunavummiut.

By building strong relationships and effective communication among stakeholders, resource development can bring benefits to the people of Nunavut.

Parnautit, the Nunavut Mineral Exploration and Mining Strategy, has committed the Government of Nunavut to develop guidelines to improve communication between communities, governments, and industry.

The guidelines are now available and can be downloaded here:

<http://www.edt.gov.nu.ca/apps/fetch/download.aspx?file=Any/634629966122923922-838209553-Community%20Consult%20Guidelines%20EN.pdf>



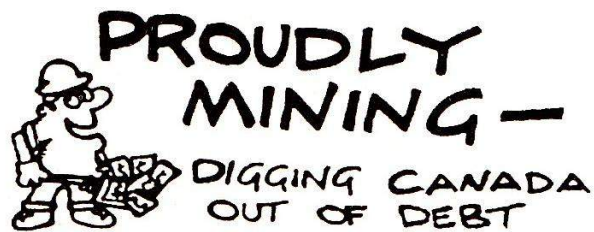
Prime Minister of Canada speaks out on mining

On behalf of the northern minerals industry, the Chamber of Mines commends the Prime Minister's recent statements about regulatory reform in Canada.

Prime Minister Harper: *In order to attract more investment and further stimulate economic growth and job creation in Canada, our government has announced that it will streamline the review process for large-scale economic projects. Twelve months maximum for environmental assessments and twenty-four months for full panel reviews. Now in saying this, let nobody doubt for a moment that responsible resource development and environmental protection remain core Canadian principles. Indeed, principles which have led Canada to develop some of the most effective environmental regulations and most transparent monitoring programs in the world. And we expect that these principles will be respected, not just in Canada, but wherever Canadian mining companies and miners work.*

Pamela Strand, President of the NWT & Nunavut Chamber of Mines said, "We are very encouraged with the Prime Minister's statements about regulatory reform and we are hopeful that new legislation will be available soon for Nunavut with the tabling of the *Nunavut Project and Planning Assessment Act*, and appropriate amendments will be made to the *Mackenzie Valley Resources Management Act* for the Northwest Territories. We are also encouraged with the Prime Minister's emphasis that efficiency in regulations and environmental protection go hand in hand."

In further commenting on the Prime Minister's speech, Ms. Strand said: "We were also encouraged to read the Prime Minister's important reminders about the challenges our industry faces, and recognition of the kind of support mining investment needs for success. This is no less important in northern Canada."

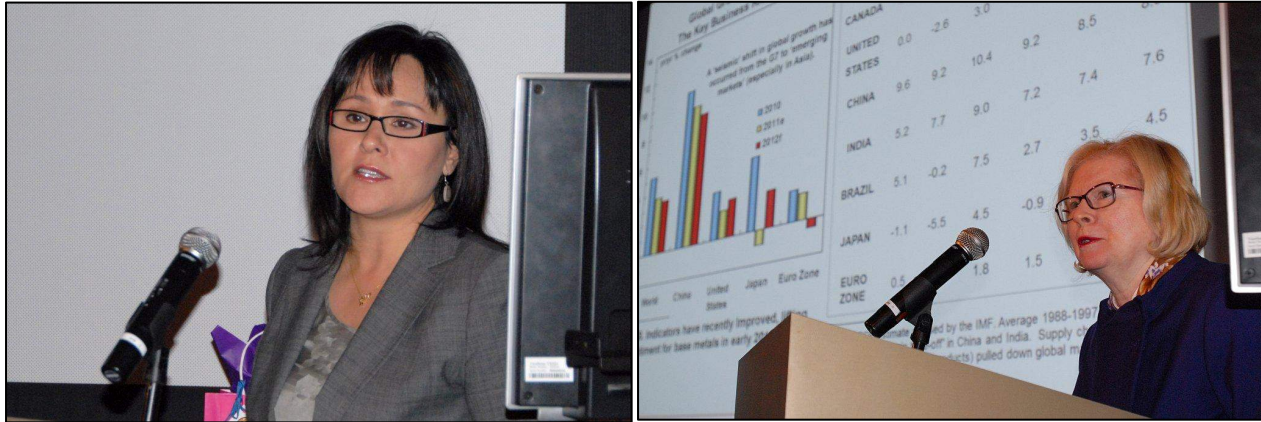


Prime Minister Harper: *By the risky nature of their enterprise, resource developers value certainty – legal, judicial and regulatory certainty – and they rightly fear unequal or arbitrary changes to the terms of doing business. It has to be remembered that there is always a lot of uncertainty in the world as it is. Right now, for example, the mining industry is being tested by rising cost structures. Soaring resource prices might give the impression that mining companies are making easy profits. Less discussed is that the cost of inputs – notably skilled labour and fuel – is negatively impacting the economics of mining. So, if the national goal is to create a vibrant industry capable of yielding healthy returns and ongoing benefits to society, the collection of so-called windfall taxes must be approached with enormous caution. The ancient fable about the killing of the goose that laid the golden egg still contains much wisdom.*

The full text of Prime Minister Harper's speech can be downloaded here:
<http://www.pm.gc.ca/eng/media.asp?category=3&featureId=6&pageId=26&id=4742>

Nunavut Mining Symposium – Huge Success!

Iqaluit was abuzz mid-month as it hosted the **15th Annual Nunavut Mining Symposium**. Society Co-Chairs Bernie MacIsaac and Liz Kingston opened the event on April 14th and welcomed nearly 500 delegates including Honourable Leona Aglukkaq, Senator Dennis Patterson, Premier Eva Aariak, Minister Peter Taptuna, NTI President Cathie Towtongie and Scotiabank Commodity Specialist Patricia Mohr to name just a few.



Honourable Leona Aglukkaq addresses crowd at event opening (left). “Mohr and More Ore” – Patricia Mohr, VP, Economics and Commodity Market Specialist, Scotiabank provides an overview of current market trends.

The theme of this year’s Symposium was *Building a Resourceful Future* and offered an exciting program in which the mining and exploration industry, governments, regulators, communities, businesses, and individuals could learn from each other’s knowledge and experience to make the most of the benefits that Nunavut’s mining industry can bring.

Two full days of sessions were geared towards mutual learning and common experience. Face-to-face networking allowed the opportunity to speak directly to stakeholders about how exploration and mining can best thrive in the Nunavut landscape and share the prosperity that a healthy mining industry can bring to Nunavummiut.

This year’s technical program was expanded and included highlights from Nunavut’s major exploration projects; resource development in the northern environment; regulatory lessons; business development; community engagement; education and training and; a new and special feature on *Diamonds in the North – the Basics and Current Activity*.

But there were also a number of opportunities to network and socialize, culminating in a Gala Banquet and Awards dinner on April 19th at the Iqaluit Curling Club.

All in all, the 2012 Symposium provided an arena for delegates to be challenged, informed and entertained in Canada’s coolest city.

Copies of speaker presentations are available on the Mining Symposium website at www.nunavutminingsymposium.ca. Stay tuned for the 2013 dates which should be posted soon!

Nunavut Mining Awards to well deserving recipients (if we do say so ourselves!)

Each year at the Nunavut Mining Symposium, three awards are presented at the Canadian North Nunavut Mining Awards and Agnico-Eagle Mines Gala Banquet. The Awards Program is sponsored by Chamber member Canadian North airlines.

The first presentation of the evening was the **Murray Pyke Corporate Award**. This award recognizes the contribution of a mining, exploration, or related company to the economic/social development of a community, region or Nunavut in general. This year's recipient was ***Peregrine Diamonds Ltd.***



Brooke Clements, President Peregrine Diamonds was on hand to receive the award from Canadian North's VP – Scheduled Service, Lorraine Bonner

The **Mike Hine Award** recognizes an individual who has made a significant contribution to the mining industry in Nunavut. Two presentations were made this year to **Minister Leona Aglukkaq** and **Senator Dennis Patterson**. The Symposium's Co-Chair Bernie Maclsaac presented the awards to the very worthwhile recipients.



From left, Canadian North VP – Scheduled Service, Lorraine Bonner; Symposium Co-Chair Bernie Maclsaac; Hon. Leona Aglukkaq; Senator Dennis Patterson

The **Chamber of Mines** was surprised and delighted to be announced as the winner of the **Organization of the Year** award for 2012. This award is given to an organization that has made an outstanding contribution to building a strong sustainable minerals industry in Nunavut.



From left, Government of Nunavut's Gordon Mackay; Chamber President Pamela Strand; Canadian North VP – Scheduled Service, Lorraine Bonner; Chamber General Manager – Nunavut, Elizabeth Kingston

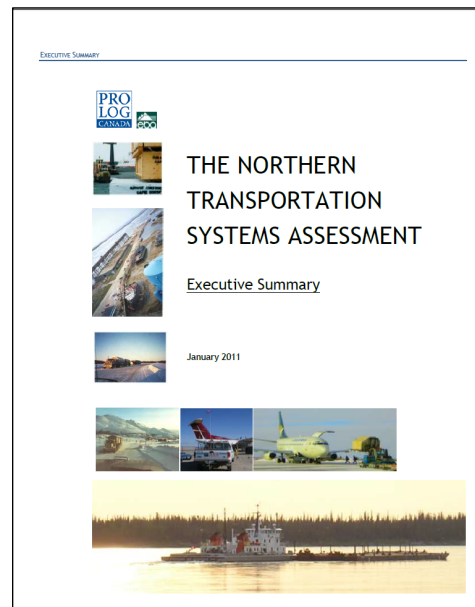
Final Report of the Northern Transportation Systems Assessment

A new northern transportation study has been released by Transport Canada.

The purpose of this study was twofold: first, to determine what transportation infrastructure will be required to support growing demand in the North over the next 20 years; and second, to determine what incremental improvements will help build a transportation system that supports Canada's vision for northern development.

The study was conducted by PROLOG Canada, an independent third-party consulting firm specializing in northern transportation.

The study was done in two phases: Phase 1 analyzed existing and future transportation demand; Phase 2 assessed infrastructure investment opportunities for facilitating community resupply and resource development in the North, based on shipper savings. The assessment of shipper savings is a useful tool. However, other important considerations must be taken into account when evaluating transportation infrastructure investments in the North, including increased safety, reliability, community development and environmental protection.



The study will be used as a planning tool to help inform the Government of Canada's approach to northern transportation.

The executive summary, and Phase 1 and Phase 2 reports are available upon request by contacting karmen.klarenbach@tc.gc.ca.

This report reflects the views of PROLOG Canada Inc. and does not necessarily reflect the official views or policies of the Government of Canada.

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**NWT & NUNAVUT
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Welcome New Members!

We would like to welcome the following new members to the Chamber of Mines. We encourage your support of their business. Please join us in a warm welcome to:

Copper North Mining Corp. a Canadian mining exploration and development company, spun out from Western Copper Corporation in October 2011. Copper North holds the high-grade Redstone deposit located west of the community of Wrigley in the Northwest Territories.

Visit: www.coppernorthmining.com

Xstrata Zinc Canada one of the world's largest producers of zinc and one of the commodity business units within the major global diversified mining group. Xstrata Zinc owns and is actively working to advance the Hackett River silver-zinc deposit in the Western Kitikmeot region of Nunavut. Visit: www.Xstrata.com.

BFR Copper & Gold Inc. a Saskatoon based company is exploring in the Mazenod Lake area of the Northwest Territories for copper.

Manson Creek Resources a mineral exploration company focused on the acquisition and exploration of early stage gold projects across Canada, holds gold claims within the immediate Yellowknife area. Visit: <http://www.manson.ca/>

Mountain Province Diamonds a Canadian diamond exploration and development company headquartered in Toronto, Ontario is developing in partnership with De Beers, the world's largest and richest new diamond mine-the Gahcho Kue (formerly Kennady Lake) diamond project, located in Canada's Northwest Territories. Visit: <http://www.mountainprovince.com>.

North American Tungsten Ltd. is the Western World's largest producer of tungsten concentrate, a strategic industrial metal required in a wide variety of products. NAT operates the Cantung Mine in the NWT, and holds MacTung one of the largest undeveloped tungsten deposits in the world. Visit: <http://www.natungsten.com>

Calendar of Events

- **Coal Association of Canada National Conference**, June 3-5, 2012, Vancouver, BC. Visit: www.coal.ca, email: conference@coal.ca.
- **Aboriginal Mining Education Forum**, June 11-12, Cambrian College (Sudbury, ON) will result in an improved understanding of Aboriginal education as it applies to workforce planning in mining and mineral exploration and for Aboriginal communities. Visit: <http://www.aboriginalmining.ca/en/miningeducationnetwork/Events.asp>
- **NWT Mining Week**, June 11-16, Yellowknife, NT celebrates the importance of mining to the NWT, and culminates with the NWT Mine Rescue Championship on June 15-16, and the Miner's Picnic on June 16. All free to the public. Contact Cheryl at the NWT & Nunavut Chamber of Mines.
- **2012 Yellowknife Geoscience Forum**, November 13-15, 2012, Yellowknife, NT. Plan to attend the north's largest conference. Visit: www.miningnorth.com/geoscienceforum.

Mines & Promising NWT Mine Projects

The following table describes a number of advanced mineral development projects in the NWT.

Project Name	Owner(s)	Commodity	Description	Status
Ekati Mine	BHP Billiton, Chuck Fipke and Stu Blusson	Diamonds	Canada's first and largest diamond mine, 310 km. NE of Yellowknife. Open pit and underground. Mine life to 2019.	Annual sales from EKATI represent approximately 3% of current world rough diamond supply by weight and 5% by value. BHP Billiton is conducting review of diamonds business and potential sale.
Diavik Mine	Rio Tinto and Harry Winston	Diamonds	Canada's largest diamond producer, 300 km NE of Yellowknife. Open pit and underground. Mine life beyond 2020.	Shifting to all underground production in 2012. Investigating potential to add A21 pipe to mine plan. Rio Tinto is conducting review of diamonds business and potential sale. The plan for calendar 2012 foresees production of ~ 8.3 million carats from mining 2.0 million tonnes of ore and processing of 2.2 million tonnes of ore.
Snap Lake Mine	De Beers	Diamonds	Canada's first all underground diamond mine. 220 kilometres NE of Yellowknife. Mine life to 2028.	Commenced commercial production on January 16, 2008 and the Official Mine Opening took place on July 25, 2008.
Cantung Mine	North American Tungsten	Tungsten	Cantung is in the mountains of western Northwest Territories, ~ 300 km by road NE of Watson Lake, Yukon. Mine life to 2014.	Company is capitalizing on significant investment in new infrastructure built during 2011 under "CanTung Enhancement" strategy.
Nechalacho	Avalon Rare Metals	Rare earth metals	Proposed underground mine 100km SE of Yellowknife. Estimated mine jobs: 200	EA Update: Mackenzie Valley Review Board is reviewing responses to information requests. Feasibility study now scheduled for completion Q2 2013. The delay will also push back initial production from the site to late 2016.
NICO	Fortune Minerals Ltd.	Cobalt-gold-bismuth-copper	Proposed open pit and underground mine located 50 km NE of Wha Ti. Estimated mine jobs: 150	Various documents and technical reports are being filed for the environmental assessment process so as to support 5 days of public hearings in July.
Yellowknife Gold	Tyhee NWT Corporation	Gold	Proposed open pit mine 88 km NE of Yellowknife. Estimated mine jobs: 238	EA update: Tyhee is preparing responses to August 2011 information requests and anticipates submission by end of March 2012.
Prairie Creek	Canadian Zinc Corporation	Lead-zinc-silver	Proposed underground mine 120 km west of Ft. Simpson within the Nahanni National Park. Estimated mine jobs: 220	EA Update: Project approved to proceed to permitting and licensing, now underway. Permit applied for new underground decline to continue underground exploration.
Gahcho Kue	De Beers & Mountain Province	Diamonds	Proposed open-pit diamond mine approximately 180 km ENE of Yellowknife, NT. Estimated mine jobs: 360	EA Update: Developer and parties preparing responses to January 2012 information requests responses. De Beers anticipates submission by end of March 2012. Technical sessions tentatively scheduled for May.
Pine Point	Tamerlane Ventures	Lead-zinc	Company proposes underground mine east of Hay River, NT using freeze technology for water management. Estimated mine jobs: 225	Company has requested change to adit and decline from shaft to test mine the R-190 deposit. Resource Defined, Permitted for Construction, Extensive Infrastructure
Courageous Lake	Seabridge Resources	Gold	Proposed open pit mine 240 km northeast of Yellowknife	Preliminary Feasibility Study due in May 2012. Nearly 8 million oz. resources. 2012 exploration budget of \$8.5 million.

Mines & Promising Nunavut Mine Projects

The following table describes a number of leading mineral development projects in Nunavut. Very preliminary estimates have been provided for workforce size if the projects were to become mines.

Project	Owner(s)	Commodity	Description	Status
Meadowbank Gold Mine	Agnico-Eagle Mines	Gold	Open pit mine located in the Kivalliq Region, 300 km west of Hudson Bay and 70 km N of Baker Lake. Mine jobs: 450	Mill began commercial production in March, 2010. Paid first royalty payment to NTI.
Mary River	Baffinland Iron Mines	Iron	Proposed open pit mine with railway and port; 936 km N of Iqaluit with 5 known deposits. Estimated construction jobs: 3,500 Estimated mine jobs: 715	Final hearings for FEIS slated for Iqaluit, Igloolik, and Pond Inlet beginning July 16, 2012.
Kiggavik	AREVA Resources	Uranium	Proposed uranium mine 80 km W of Baker Lake. Estimated Construction jobs: 600 Estimated mine jobs: 500	IIBA negotiations begin January 27, 2012; Submission of IRs to NIRB regarding DEIS due June 4, 2012.
Doris North/ Hope Bay	Newmont Mining Corp	Gold	Proposed gold mines 130 km S of Cambridge Bay; covers the majority of the Hope Bay Greenstone Belt. Estimated mine jobs: 300	Work postponed indefinitely while project under review; Company has approved "Care and Maintenance" funding for the Hope Bay site.
Jericho Diamond Mine	Shear Diamonds Ltd.	Diamonds	Project to reassess viability of reopening the former diamond mine, 255 km SSE of Kugluktuk. Estimated mine jobs: 150-200	Recovered 3,500 carats of diamonds from mine; Diamond valuation process scheduled for late May, 2012.
Meliadine Gold	Agnico-Eagle Mines	Gold	Possible gold mine, 5 deposits, the largest of which is the Tiriganiaq deposit, 25 km NE of Rankin Inlet. Estimated construction jobs: 600 Estimated mine jobs: 350 - 400	Plan to complete feasibility study in 2013; NIRB approved construction of all-weather road, February 21, 2012.
Hackett River	XStrata Zinc Canada	Zinc, silver, copper, lead and gold	One of largest undeveloped VMS massive sulphide deposits in the world. 104 km SSW of Bathurst Inlet. Estimated mine jobs: 300	Camp opened February 20, 2012; Pre-feasibility study team being assembled.
Back River	Sabina Gold & Silver Corp.	Gold	Approximately 60KM from Hackett River; adjacent to the Wishbone Greenstone belt. Consists of the George and Goose Lake deposits and holds significant gold resources.	Goose camp opened February, 2012; anticipate 8 core drills to be operating at Back River and Wishbone; Exploration budget approved (\$57 – 60M)
High Lake /Izok Lake	MMG Resources Inc.	Copper, Zinc, Gold, Silver	(High Lake) 1710 hectare, copper-zinc-silver-gold property, 190 km ESE of Kugluktuk. Estimated mine jobs: 500 (Izok) High-grade zinc-copper-lead-silver deposit, 255 km SW of Kugluktuk. Estimated mine jobs: 760	High Lake/Izok/Grays Bay now being permitted as one project. Proceeding with Feasibility Study; Fieldwork planning underway – data collection, environmental baseline work, and exploration.
ULU & Lupin	Elgin Mining Inc.	Gold	Located SE of Kugluktuk. Lupin mine: past production; 3.7 million oz. ULU deposit: indicated mineral resource; 751,000 tonnes	Elgin purchased both properties from MMG Resources in July, 2011. Winterization of work camp at Lupin; Drilling at Ulu began April, 2012.
Roche Bay	Advanced Exploration	Iron	Over 500 mt of Indicated Resources within 6 km of a natural deep water harbour at Roche Bay. Feasibility study based on 66% iron concentrate with initial mining development at the project's C Zone	Feasibility study results will be released in July 2012. Filing of complete report 45 days after, based on an initial 5.5 Million Tonnes per year production
Chidliak	Peregrine Diamonds Ltd.	Diamonds	Located 180 km S of Pangnirtung. Contains 59 known diamond-hosting formations.	Peregrine expects to begin collecting a bulk sample from several kimberlites in 2013 to obtain parcels of diamonds for valuation.

Project Maps

