

Northern Mining News

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MINING STATS NWT/NU:

Three diamond and one tungsten mine in operation

Value of mineral production (2009) \$1.5 billion

Value of mineral exploration (2009) \$218 million

Bathurst Caribou Management Plan

The Wek'èezhìi Renewable Resource Board (WRRB) held Public Hearings in Bechoko from March 22-26, 2010 to discuss a management plan for the Bathurst caribou. The Chamber of Mines submitted a brief on the caribou issue to the WRRB in advance of the Hearing and acted as an observer. The Hearing was adjourned until May 2010 to allow the Tlicho Government more time to come to terms with the GNWT on the issue of traditional harvesting.

The Chamber submission asked that industry be included in the development of any management plan as it may influence exploration and

development. The mineral industry is happy to work towards a strategy and management plan that does not limit or ban mineral activity in the Slave Geological Province.

One of the ideas moving forward is for the industry to be more proactive on the caribou issue. The Chamber Board discussed projects to help alleviate public concerns about the impact of development on caribou. One idea is to develop a 'Best Practices' guide for working around caribou, which could be applied to mineral exploration, mining, and any



other type of development activities. The active diamond mines already have their own adaptive management programs to help mitigate impacts on local wildlife.

The Chamber will investigate compiling this information and hiring a contractor to develop a resource book/pamphlet on the subject.

Awards of Mining Excellence

The Chamber of Mines was proud to learn that our Vice President of Nunavut, Pam Strand, president of Shear Minerals Ltd., had recently been awarded the Thomas Kudloo Memorial Award by the Kivalliq Chamber of Commerce.

The award is to recognize Shear's commitment to the environment while completing the its exploration program. Kivalliq felt that the

commitment and actions of Shear Minerals and Pam Strand in particular go far beyond regulatory requirements. Congratulations Pam and Shear!

Elsewhere, Nunavik Tungatvik Incorporated (NTI) awarded Chamber member Comaplex Minerals at the PDAC in Toronto in March for community involvement, while another mineral exploration company in the NWT, Avalon



Pam Strand

Rare Metals, was awarded PDAC's 2010 Environmental & Social Responsibility Award.



Meadowbank Fact Sheet:

Owner: Agnico-Eagle Mines Ltd.

Location: 70 km north of Baker Lake,

Mine Life: 10 Years

Production:

350,000 ounces of gold per year

Reserves:

3.64 million ounces gold

Workforce: 476 (30% Inuit)



2008 NWT
Mining Overview

Contact Chamber staff for a Copy

Nunavut's Newest Gold Mine

History was made February 27, 2010, with the pouring of a gold bar at Nunavut's new Meadowbank gold mine, 70 km north of Baker Lake. The 287 ounce brick, worth about \$250,000, is the first gold poured in Nunavut since the Lupin gold mine closed in 2005.

Owner Agnico-Eagle Mines Ltd. has spent \$1.5 billion (including acquisition) to construct the mine. The gold deposit, first discovered in the late 1980s, will be mined by open pit and has a reserve life of 10 years. Exploration is expected to extend the life.

Meadowbank is the first of a new generation of mineral developments in Nunavut. The project is located on Inuit-owned land with production royalties flowing to the Inuit people. Employment and training opportunities for the local community are being promoted. At full production, the mine expects to employ 340 people, with a target of 25% Inuit. Since many of those positions are for skilled labour, the company and governments have developed new training programs. For example, all 40 of the mine's haul truck drivers are Inuit employees.

There are also many spill-over effects on the local Baker Lake economy as northern business is being used for transportation and

services. \$500 million will be spent in payroll, income and mining taxes over the life of mine; \$850 million will be spent in materials & services.



The first gold bar

Agnico-Eagle has committed its resources to be a good corporate citizen in Nunavut. It was a sponsor to the recent hockey tournament in Rankin Inlet and has offered to build a baseball field in Baker Lake. Congratulation to Agnico-Eagle, the employees of Meadowbank, and all the people of Nunavut for this achievement!



The Meadowbank Crew

Annual Review of NWT Mining

The Chamber of Mines in partnership with the GNWT and INAC has published a new annual review of the mineral industry in the NWT, for the calendar year 2008.

The GNWT had published a similar annual document but stopped in 2007 due to budget cuts. The Chamber agreed to take over the production of the overview and expand its content to include a more detailed statistical outline of the social, environment, and safety performance of the industry for each year.

The report also describes mineral exploration projects and includes detailed information on the development and production at the

NWT's four mines in operation during 2008, as well as the status of projects in the permitting stages. The socio-economic section of the report tabulates the total workforce in the mining industry, northern spending statistics, and an overview of the community projects sponsored by mining companies. Another section monitors the positive environmental safety performance of active mines. It also highlights some of the political and policy issues impacting the industry, specifically land use planning and regulatory initiatives.

The 2009 report should be published in time for Geoscience Forum 2010.

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Nááts'ihch'oh Park Proposal

The push to mark permanently protected areas in the NWT continues with the expansion of the Nahanni watershed into the Sahtu Settlement Area.

Nááts'ihcho'oh, also known as Nahanni Headwaters, covers over 6500km² of spectacular terrain and rich natural resources, including minerals. A Mineral and Energy Resources Assessment (MERA) for the entire Nahanni Watershed was completed in 2007 and results from the Nááts'ihcho'oh area have recently been announced.

Parks Canada has proposed three options for a final boundary. All options recognize existing third party mineral interests, provide access to specific mineral

allowing creation of a national park and the continuation of mineral interests.

Officials with Parks Canada met with the Chamber of Mines and other industry representatives at a Yellowknife meeting on March 22, 2010. The Chamber is encouraged to see active consultation on this park proposal and that the

development areas, achieve

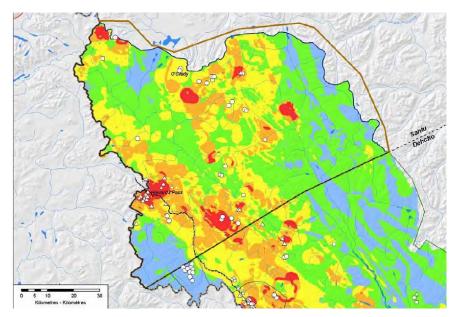
protection of key conservation

values, with the overall balance of

Yellowknife meeting on March 22, 2010. The Chamber is encouraged to see active consultation on this park proposal and that the boundary options have taken into consideration the belt of highly favourable SEDEX-hosted base metal deposits extending south from Howard's Pass. The Chamber will push for the high-mineral potential areas to be excluded from the park, and suggest to Sahtu communities that huge economic opportunities will be lost if the new park absorbs those areas.

For more information on the proposal, visit the Parks Canada website:

www.parkscanada.gc.ca/ naatsihchoh/



Overall mineral potential in the Nahanni Headwaters area

Diavik Legacy Projects

Socio-economic agreements signed by NWT diamond mines have established policies and practices to help protect cultural and community well-being. Unique community partnerships have developed through benefit agreements and skills training to build community infrastructure and social and recreational facilities. Diavik has made great contributions, bringing to the planning table several experienced construction managers and a dedicated team of community

supporters. Some of Diavik's projects include:

YELLOWKNIFE

Side Door Youth Centre (2002) Shorty Brown Arena (2003) Bailey House (2008) Dementia Facility (2009)

COMMUNITIES

Bechoko airstrip (2001)
Wekweti Community Hall (2001)
Gameti Golf Course (2002)
Whati Community Store (2002)

Kugluktuk Arena (2002) Lutselk'e Arena (2006)



Diavik helped build the Bailey
House Men's Transition Centre in
Yellowknife in 2008



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Goodbye to a Star Geoscience Volunteer

Until Lorne's health began to fail him last year, he, and his wife Joan, who passed away four years ago, were stalwart volunteers in support of the Geoscience Forum. Lorne gave freely of his time and considerable energy in the back rooms of the organizing committee and was extremely helpful at all stages of organizing and hosting the Forum.

Many Forum attendees will remember him as the "go-to guy" to help them with unplanned freight arrivals, signage (especially those that required a tall person), and delegate bag stuffing. Lorne was also a great supporter of the NWT Mining Heritage Society.



LORNE SCHOLLAR 1937-2010

Metal Mining Workshop Held in Dettah

A workshop hosted by the Canadian Northern Economic Development Agency (CanNor), INAC, and GNWT Industry, Tourism and Investment, was held in Dettah on March 30-31, 2010, bringing together business, government, and community leaders from both sides of Great Slave Lake to discuss economic opportunities in metal mining in the Northwest Territories.

Day one of the Workshop showcased presentations on geology, mining, processing and manufacturing to introduce the mine-to-market fundamentals of lead/zinc, rare earth elements, cobalt-bismuth, and gold. Some of the companies that presented and discussed commodity markets and project specific opportunities included: Tamerlane Ventures, Fortune Minerals, Tyhee Development Corp, Avalon Rare Metals, and Canadian Zinc Corporation.

Day two shifted from the industry perspective to community perspective by exploring how northern stakeholders, and particularly the Yellowknives Dene and other communities around Great Slave Lake, can participate in opportunities provided related to future metal mining projects. There were also presentations by INAC Mineral and Petroleum Resources, GNWT-ITI, the NWT Power Corporation, NWT Geoscience Office, NWT Mine Training Society, and the Chamber of Mines.

The Workshop facilitated discussions about infrastructure development and the types of services (power, roads) necessary for future metal mines. With four major metal mine projects on the horizon in the NWT and the ultimate phasing out of existing diamond mines, it was important to highlight and discuss metals as a potential future economic driver.

Upcoming Mineral Industry Events

Mark your calendars now for these industry events and functions:

- Nunavut Mining Symposium ... April 13-15, 2010 ... Igaluit, NU
- NWT Mining Week ... June 6-12, 2010 ... Yellowknife, NT
- Mining Heritage Beer Barge BBQ Bash ... June 19, 2010 ... Yellowknife, NT

