

## Mining & Mineral Exploration in the NWT – A Backgrounder and Guide for Election Candidates –


The following information is intended to help candidates learn more about the NWT’s minerals industry, its importance to the economy, and what steps can be taken to strengthen it.

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•1

### A reminder: Why do we have a minerals Industry in the NWT?

- Governments own the mineral resources NOT companies
- Governments invite companies to do what they cannot do themselves:
  - Find, raise and bring money to invest,
  - Absorb significant risks (only 1:1,000 odds of success), and
  - Bring expertise to find, develop and convert public resources into public benefits.
- Therefore, as the resource owners, and the inviters, Governments (Indigenous and public) have a role in helping their industry become successful in creating public benefits.



2

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## Setting the Scene

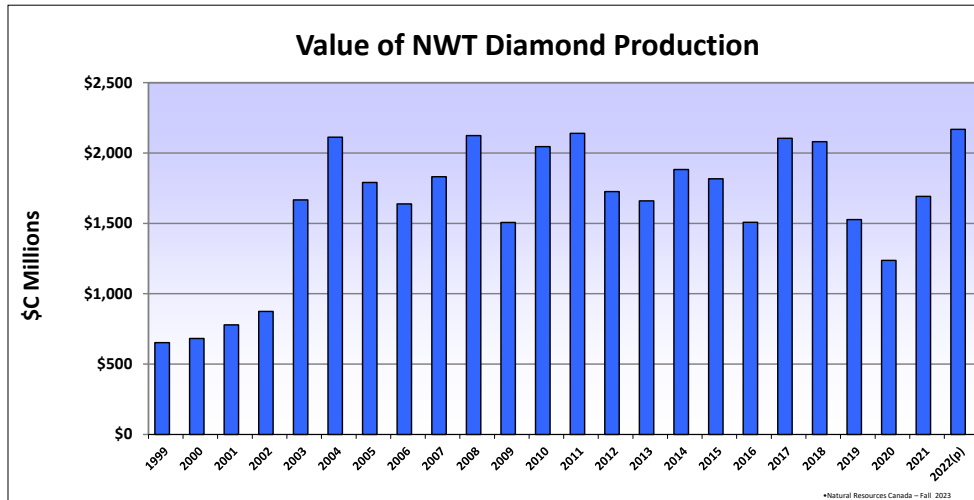
- The NWT has excellent mineral potential and has hosted world class mines.
- Eventually, every mine will close.
- A sustainable mining industry is one where healthy exploration investment makes timely discoveries that become new mines to replace the benefits of those that close.
- Finding new mines is challenging: it takes time, favorable markets, money, expertise, and government (as landlord) support.
- The NWT is now challenged to sustain diamond benefits as exploration investment has languished for 15 years.
- And for many years now, Governments have not invested in project support and infrastructure as they once did.
- The stage is set for change.



3

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## Diamond mining's sizeable contributions to the Economy

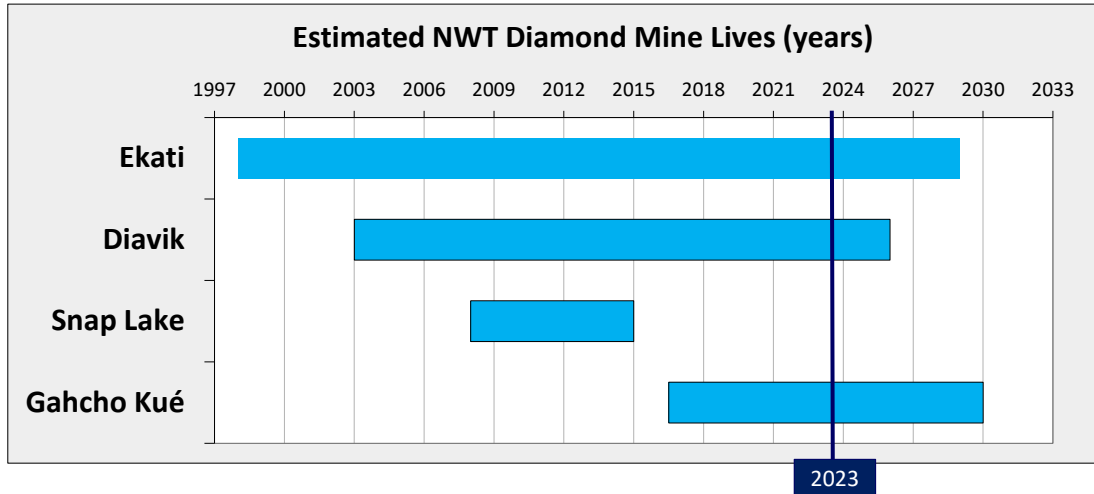


- Diamond production value in 2022 is projected at \$2.2 Billion
- World's 3<sup>rd</sup> largest producer; 4<sup>th</sup> most valuable

4

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## But diamond mine lives are maturing



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## What's at stake with maturing diamond mining

- \$26.6 Billion contributions to GDP (1999-2022)
  - \$1.2 Billion in 2022
- Jobs – 100,000 person years employment
  - 1,094 NWT jobs in 2022
- Business – \$18.3 Billion in NWT since 1996
  - \$754.7 Million in 2022
- Public Government Revenues
  - Taxes (eg: corporate, income, fuel, property, GST, bridge, carbon, royalties)
- Indigenous Government Contributions
  - IBAs, Resource Royalty, Tlicho income taxes, community
- Significant contributions to economic reconciliation

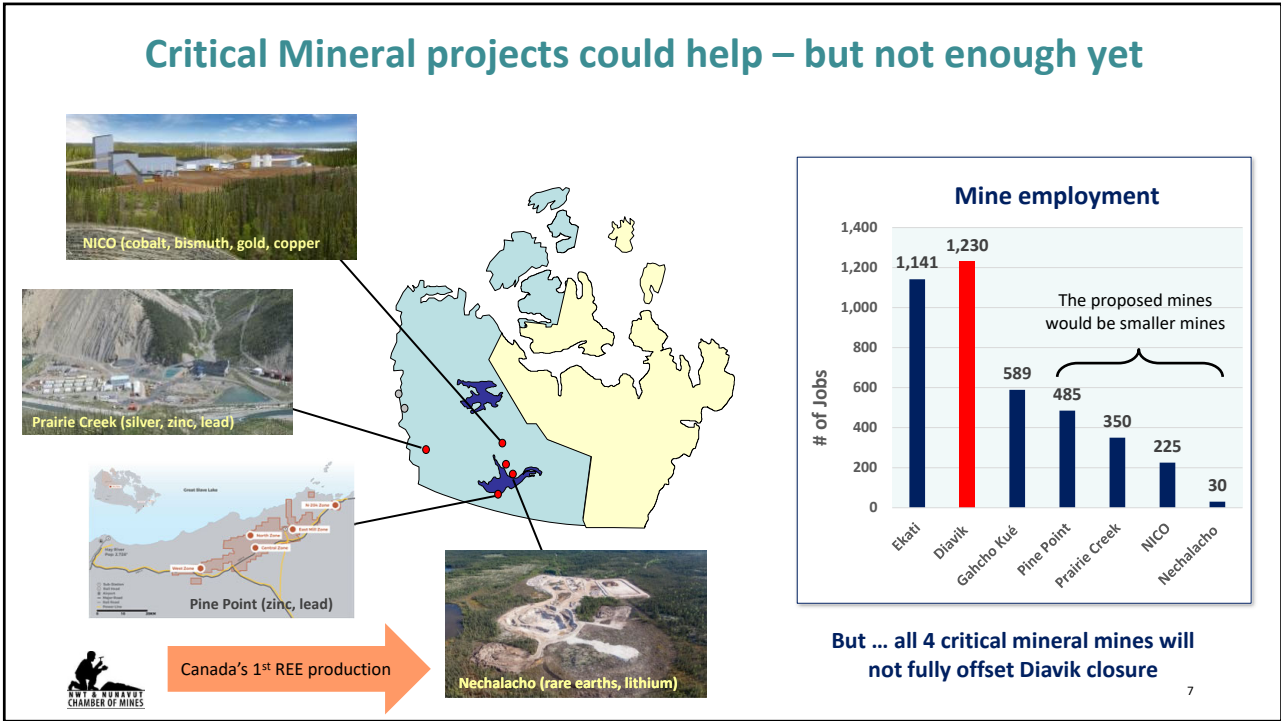


[GNWT-ITI 2022 Socio-Economic Agreement Report](#)



6

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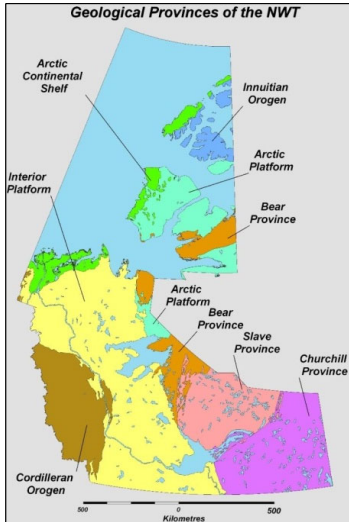
## More exploration is needed to sustain and grow mining

- No mine lasts forever, and exploration is required to find new mines
- Exploration needs:
  - Access to land for success, but has small footprint
  - Investment money, and more in the high costs north
  - Technical expertise
- Exploration is high risk with high odds against discovery
  - Only 1 in 1,000 prospects is successfully developed into a mine
  - Even after discovery, it can take 20 years of process to build a new mine
- Can be enabled with attractive geology, access to land, exploration incentives, and appropriate legal requirements

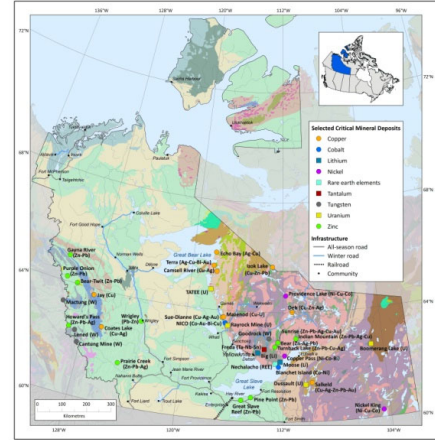
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## Harness the NWT's attractive Geology and Critical Mineral potential



- 8 geological provinces
- Diverse mineralogy
  - Gold, silver, diamonds, lead, zinc, uranium, tungsten, rare earths, lithium, cobalt, bismuth, nickel, copper, etc.
  - **23 Critical minerals!**
- Under-mapped & remote means under-explored
- This equals tremendous mineral potential
- Turn potential into opportunity



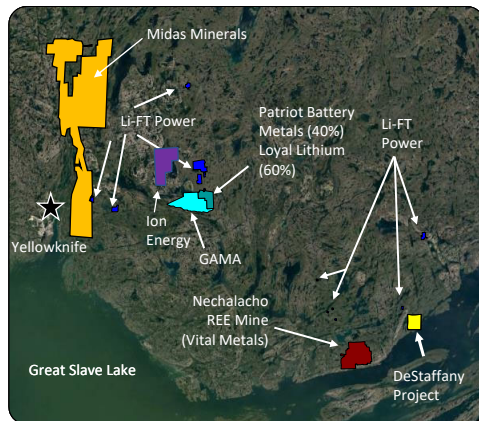
Good potential: The NWT has 23 Critical Minerals with significant occurrence and potential for more discoveries.



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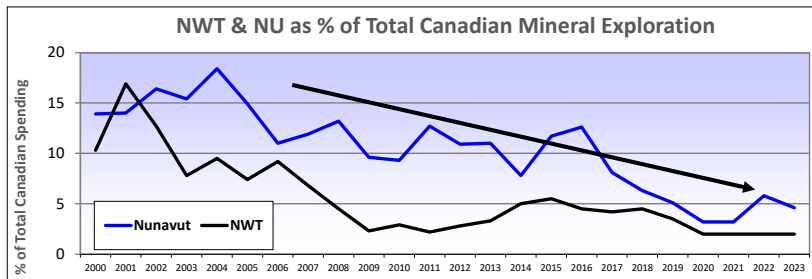
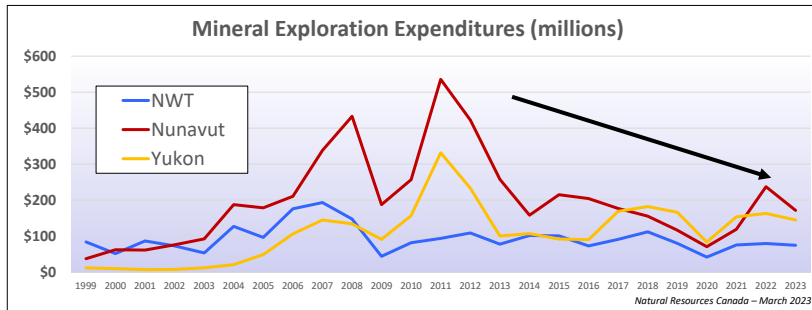
## Strongly support the emerging NWT Lithium Opportunity

- Nurture the emerging early-stage Yellowknife lithium exploration
- Along with REEs, investigate the region becoming a new mining district



•10

## Challenge ... NWT Exploration investment continues to underperform



### Why does it underperform?

- Shrinking access to mineral rich lands (conservation, unsettled land claims, etc.)
- Higher NWT costs due to overly complex regulatory processes
- Higher costs due to having Canada's largest and significant infrastructure deficit
- Weaker government tax incentives than provinces

### As a result:

- Investment goes to less risky, less expensive, less complex, more attractive jurisdictions

11

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## To help increase NWT exploration investment & success

- Reduce exploration costs
  - Provide online map staking to reduce unnecessary costs of the current archaic system
  - Create a North of 60 Mineral Exploration Tax Credit to compete with the south
  - Continue to support the MIP exploration incentive program
- Create more efficient regulatory systems
  - Don't mis-treat early-stage exploration as advanced exploration
  - Match regulatory needs to project size and risk to make processes more efficient
- Provide more access to land
  - Currently nearly 50% of the NWT is off limits to exploration
- Protect rare, high mineral potential lands for economic development
  - Require and consider mineral potential assessments on any conservation proposals
- Devolve the MVRMA to the GNWT



12

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## Help developing projects become mines

- With clean, affordable power
  - Taltson to Snare power link could help Pine Point, NICO, Nechalacho, future lithium and other mines AND communities converting to clean energy
- With project specific assistance as Canada once provided
  - Seek Canada's Critical Mineral strategy support for infrastructure, technology
  - Seek Federal support for Indigenous equity ownership
- Increase mining benefits to communities too
  - Lobby Canada to repatriate (without penalty) their 50% share of NWT royalties and give it to traditional landowners whose lands host the development



13

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## Help existing mines with ...

- Support their use of energy alternatives to replace diesel
- Reduce supply costs by advancing the Slave Geological Province road
- Streamlined and predictable permitting without having to go to public hearing each time for any mine additions.
- Create a regulatory process to relinquish a successfully closed mine to government
- Housing options for northern workers



14

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## Why mining is important – people success!



15

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