



## NEWS RELEASE

### 2016 Mineral Exploration Expenditures Projected Down in all Three Territories

(Yellowknife, NT – December 5, 2016) Revised Federal government projections for 2016 mineral exploration and deposit appraisal spending are ‘down’ in all three Canadian territories. Natural Resources Canada’s (NRCan) latest semi-annual report *Exploration and Deposit Appraisal Expenditures, by Province and Territory* provides the following spending intentions for 2016:

- \$53.0 million in the NWT, down \$47.9 million (47%) from 2015 expenditures of \$100.9 million;
- \$122.1 million in Nunavut, a decrease of \$92.9 million (43%) from \$215.0 million in 2015; and
- \$82.6 million in Yukon, a decrease of \$9.6 million (10%) from \$92.2 million in 2015.

“While we know exploration investment is challenged globally, the significantly large drops in NWT and Nunavut are very worrisome”, said Gary Vivian, President of the NWT & Nunavut Chamber of Mines. “It tells us that, despite our tremendously strong northern mineral potential, governments are not turning the tide of investment leaving, and our northern businesses will continue to suffer. We are not yet seeing any major progress on reducing the largest infrastructure deficit in the country or on settling NWT land claims. Unfortunately, we are seeing growth in overly restrictive land use plans and unnecessary land alienations, which are not contributing to the confidence and certainty we need to attract the millions of dollars in investment required to maintain a healthy minerals industry. On top of that, we are seeing increasing regulatory, tax and operating costs for businesses based in the north, which simply add to the problem. The Industry will continue to work constructively with Public and Aboriginal Governments as well as communities to correct this dramatic decline.”

The majority of spending in the NWT in 2016 is expected to be for diamonds and in Nunavut on precious metals. Junior companies in the NWT are projected to dominate exploration spending at 64% of the 2016 total, while in Nunavut the seniors are expected to spend the majority at 70% of the total. In the NWT, 73% of the spending is projected to be on grassroots exploration, the remainder on deposit appraisal. In Nunavut, 54% of the spending is projected to be on grassroots exploration, with the remainder on deposit appraisal.

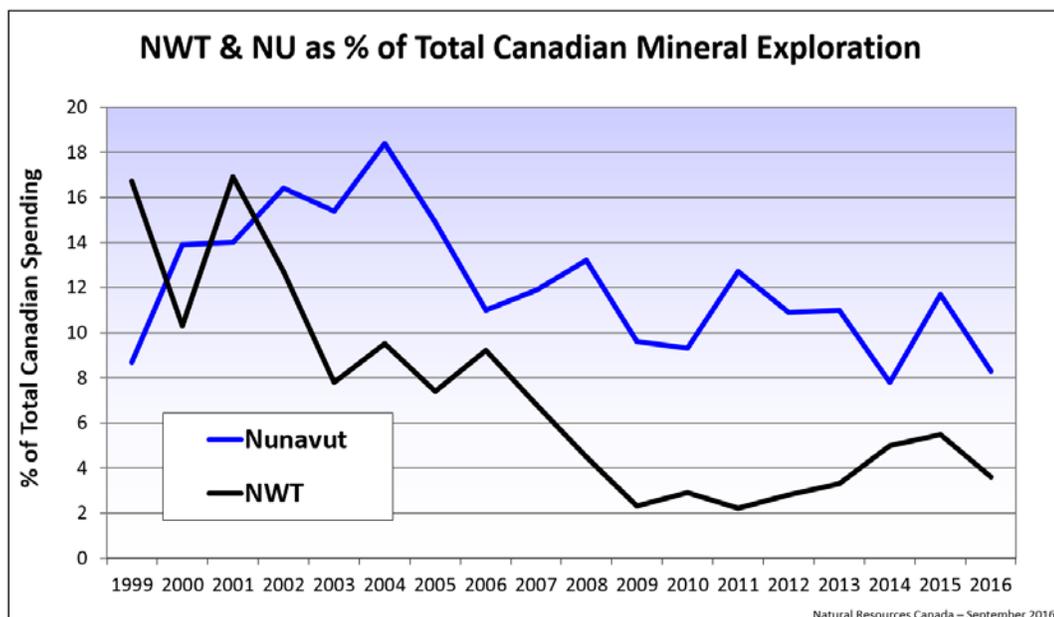
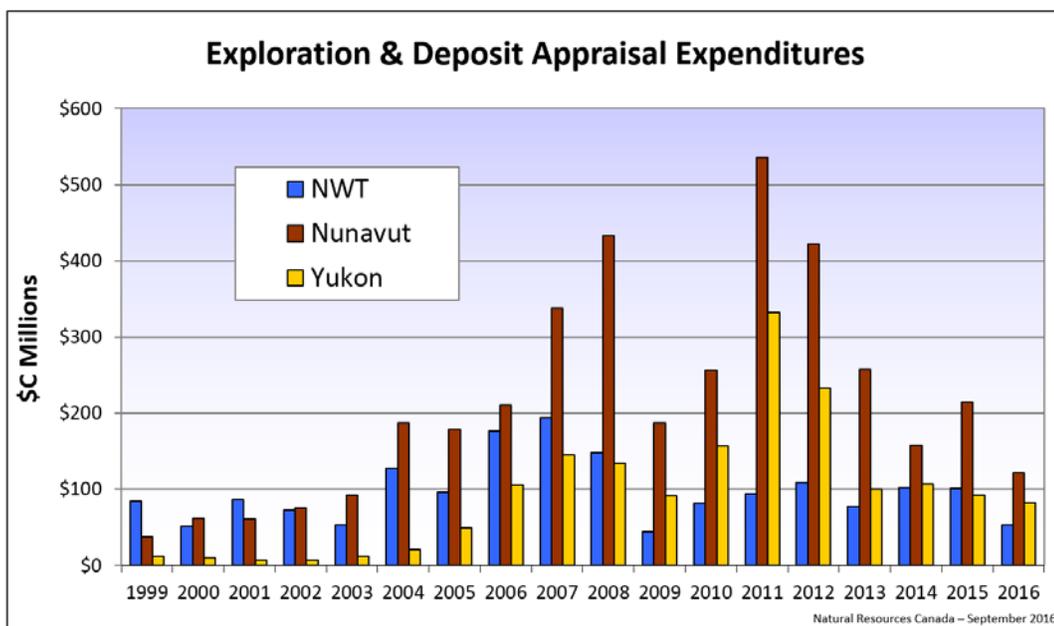
As a share of projected Canadian investment, Nunavut remains in fifth place, the Yukon remains in sixth place, and the NWT falls to eighth place.

NRCan projects that total Canadian exploration and deposit appraisal expenditures for 2016 will also decline to \$1,465.7 million, a decrease of \$376.7 million (20%) from \$1,842.4 million for 2015.

Charts for northern Canada’s historical and projected performance are attached as a **Backgrounder**. NRCan’s source data is available [here](#).

For more information on the NWT and Nunavut mining industries, contact Tom Hoefer, Executive Director at Tel: 867-873-5281 or email: [executivedirector@miningnorth.com](mailto:executivedirector@miningnorth.com). Visit the Chamber website at: [www.miningnorth.com](http://www.miningnorth.com).

## BACKGROUNDER



**Note:** Expenditures reported include on-mine-site and off-mine-site activities, field work, overhead costs, engineering, economic and pre- or production feasibility studies, environment, and land access costs. 2016 figures are revised spending intentions as of September 2016.

**Source:** Natural Resources Canada, from the federal-provincial-territorial Survey of Mineral Exploration, Deposit Appraisal and Mine Complex Development Expenditures. Exploration and deposit appraisal activities include only the search for and appraisal of deposits and do not include work for extensions of known reserves. Natural Resources Canada's data can be downloaded by clicking [here](#).