



NEWS RELEASE

NRCAN Projects less Mineral Exploration Spending in NU and NWT in 2017

(Yellowknife, NT – March 2, 2017) Federal government projections for 2017 mineral exploration and deposit appraisal spending are projected to decrease in Nunavut and NWT, and increase slightly in Yukon. Natural Resources Canada's (NRCAN) latest report *Exploration and Deposit Appraisal Expenditures, by Province and Territory* provides the following spending intentions for 2017:

- \$64.4 million in the NWT, down \$2.1 million (3%) from 2016 expenditures of \$66.5 million;
- \$163.6 million in Nunavut, a decrease of \$41.5 million (20%) from \$205.1 million in 2016;
- \$94.1 million in Yukon, an increase of \$9.6 million (7%) from \$87.9 million in 2016; and
- \$1,844.5 million in Canada, an increase of \$286 million (18%) from \$1,559 million for 2016.

"Exploration investment is slowly returning to Canada. Yukon and several provinces are poised to benefit. However, both the NWT and Nunavut are projected to see decreases", said Gary Vivian, President of the NWT & Nunavut Chamber of Mines. "This tells us that, despite the tremendously strong mineral potential, the tide of investment leaving Nunavut and NWT has yet to turn. Governments must do all they can to regain investor confidence."

Two Fraser Institute mining reports were released this week. [Permit Times for Mining Exploration in 2016](#) finds that "B.C. and the Territories are laggards in Canada", and "Northwest Territories and Nunavut showed considerable room for improvement." Feedback in their [Annual Survey of Mining Companies 2016](#) states, for the NWT:

- *Overlapping and conflicting regulatory groups/levels of government; internal conflict between government departments; delays of years and years to close out land use or water permits; large delays in granting of permits and conflicting requirements; lack of transparency in permitting and enforcement all act as deterrents to investment in the Northwest Territories.*
- *The inability of the government of Northwest Territories to adopt/agree on major infrastructure such as connecting to the southern power grid or building a road into the Slave Geological Region, either of which would greatly reduce the costs of exploration, deters investment in the territory. Power would also reduce the cost of living and attract employees.*

For Nunavut, the report states:

- *Multiple permitting requirements; large delays in being granted access/water permits; granting of permits that contain conditions which essentially nullify the permit (e.g., ice drilling in the spring that is then blocked by caribou constraints); currently delays of 5 years or more to close out land use permits (both Aboriginal Affairs and Northern Development Canada and Regional Inuit Association) where the appropriate and complete paperwork has been fully filed are all issues deterring investment in Nunavut.*

"As we told the NWT Cabinet in January, some progress towards new road infrastructure and exploration incentives are positive, but unsettled land claims, regulatory costs and proposed new taxes still need to be addressed to add confidence and certainty to the NWT's investment attractiveness," said

Vivian. “And Nunavut is suffering from a land use planning process that threatens mineral investment, both on Crown and Inuit owned land. Adding to concerns is the spectre of a carbon tax when we have few alternatives to diesel, and new conservation initiatives in both territories.”

Charts for northern Canada’s historical and projected performance are below. NRCan’s source data is available [here](#).

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