

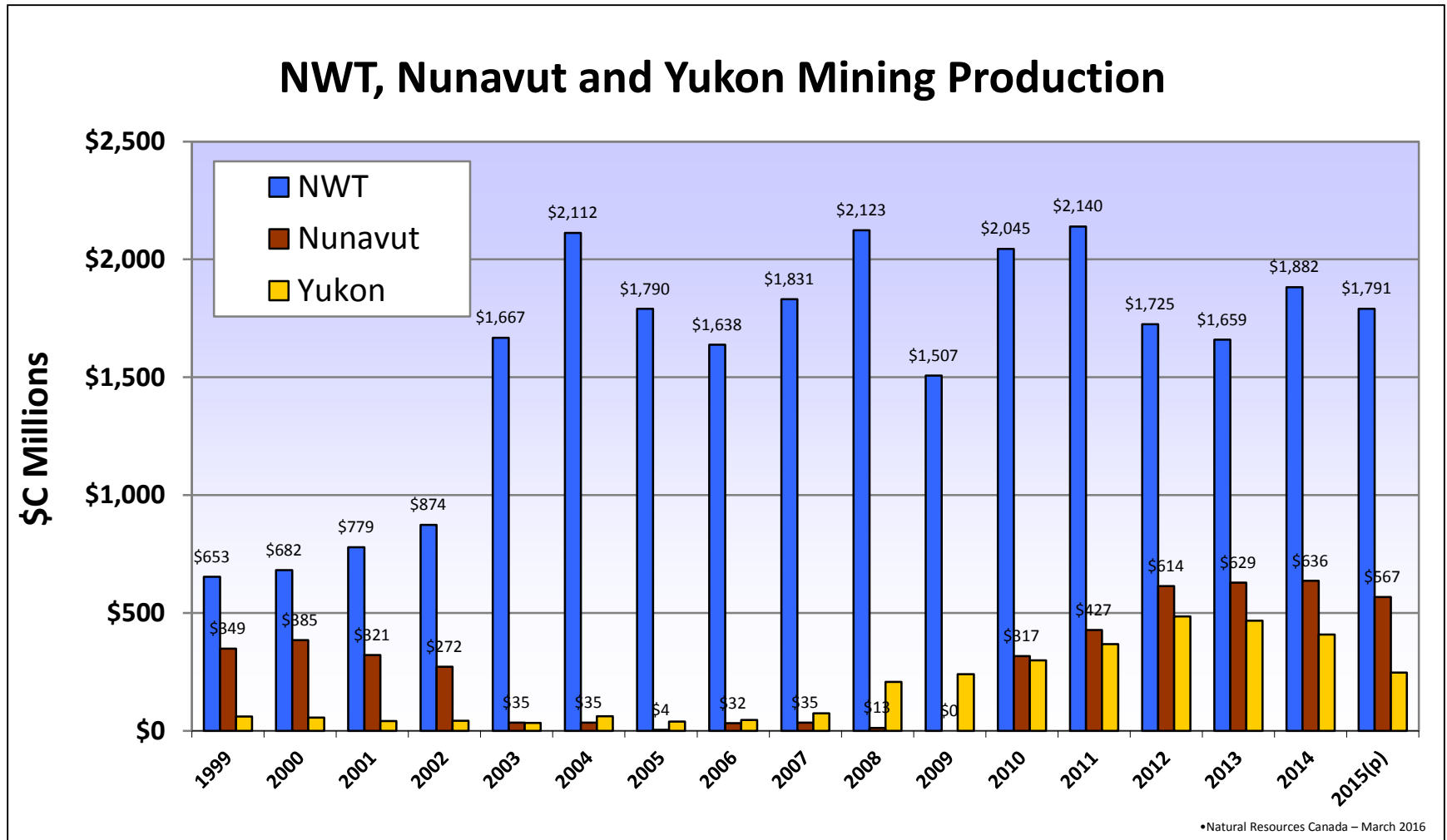


Is the NWT Really 'OPEN FOR BUSINESS'?

Presentation to GNWT Executive Council

*Roundup Meeting, Vancouver
January 24, 2017*

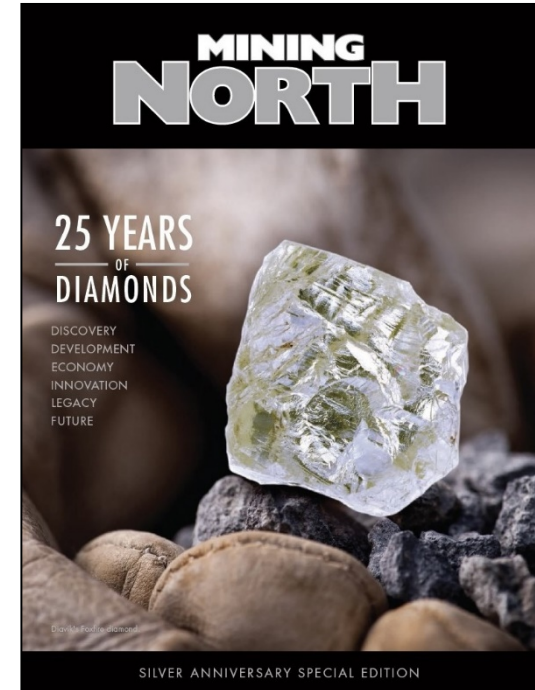
Why it's important: Mines create huge value



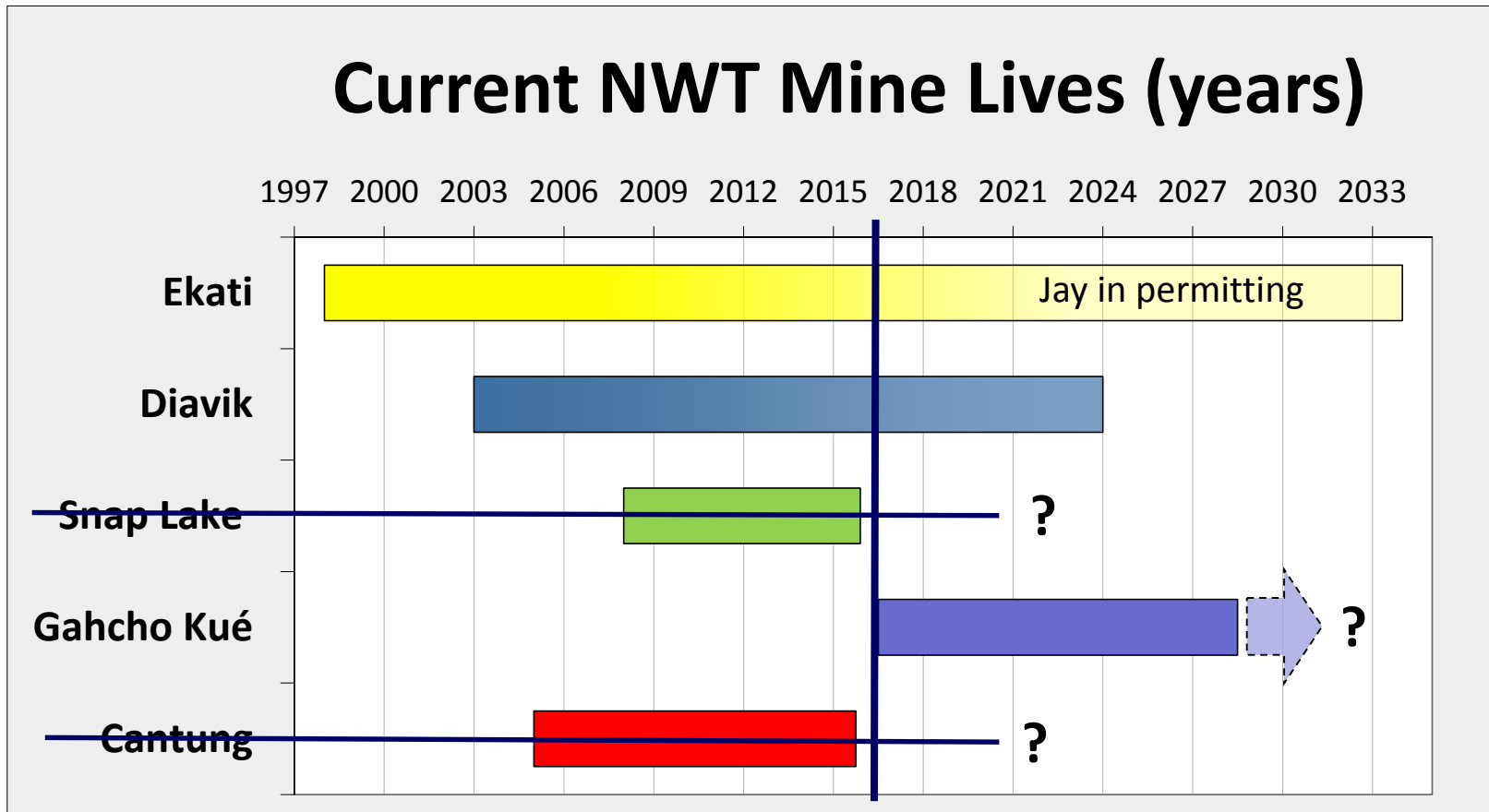
- 2015 Diamond value dropped \$66 million. 2016 will fall further with Snap Lake closure
- Mining is largest private sector contributor to the NWT economy

We all celebrated much deserved success!

- Game changing efforts & benefits
 - Over 1,500 trained
 - Northern jobs – over 24,000 py's; 50% Aboriginal
 - \$12 billion plus in Northern business
 - \$5 billion with Aboriginal businesses
 - Significant taxes & royalties
 - Over \$100 million to communities
- A business worthy of sustaining!

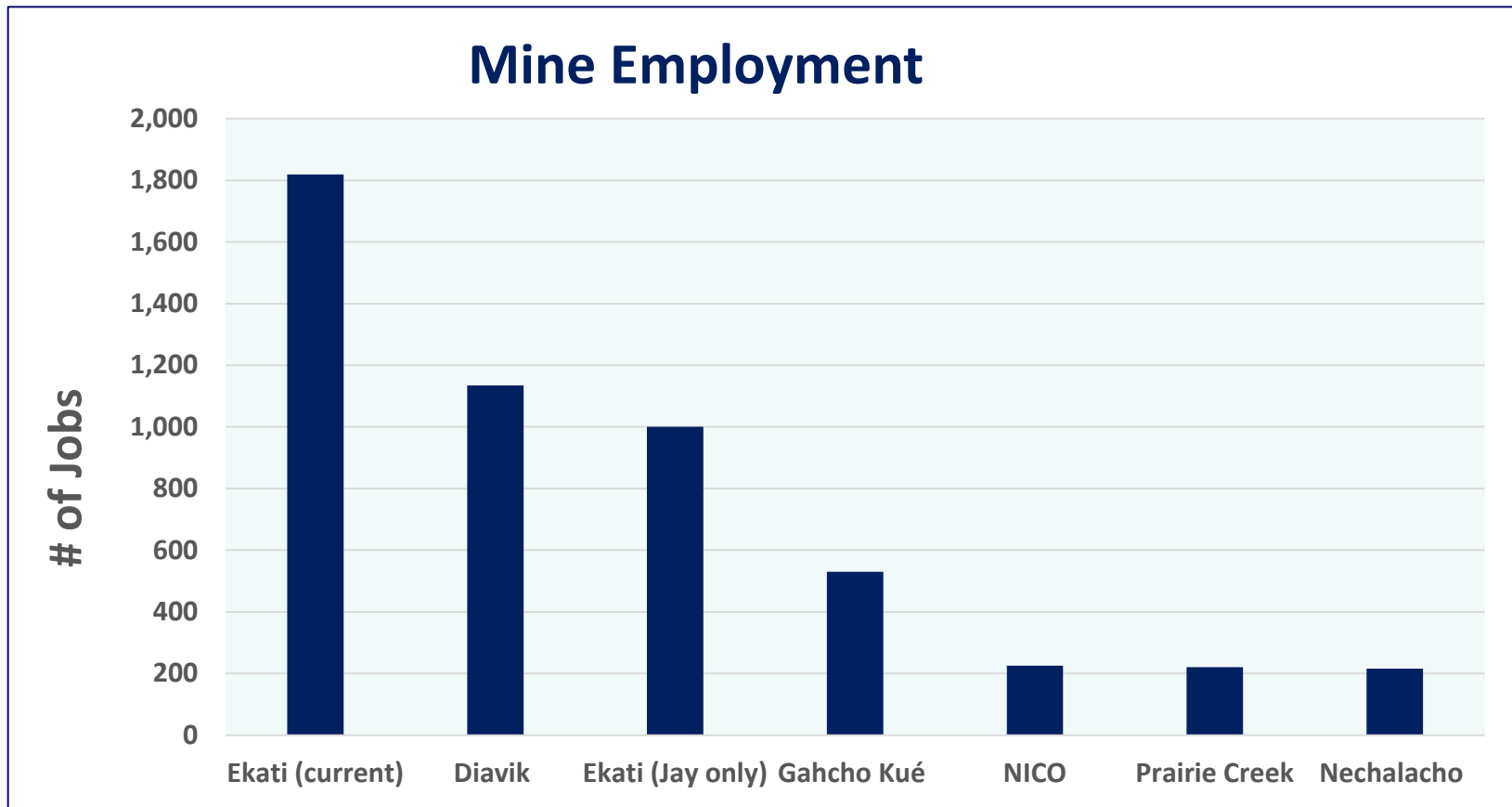


But Mines don't last forever



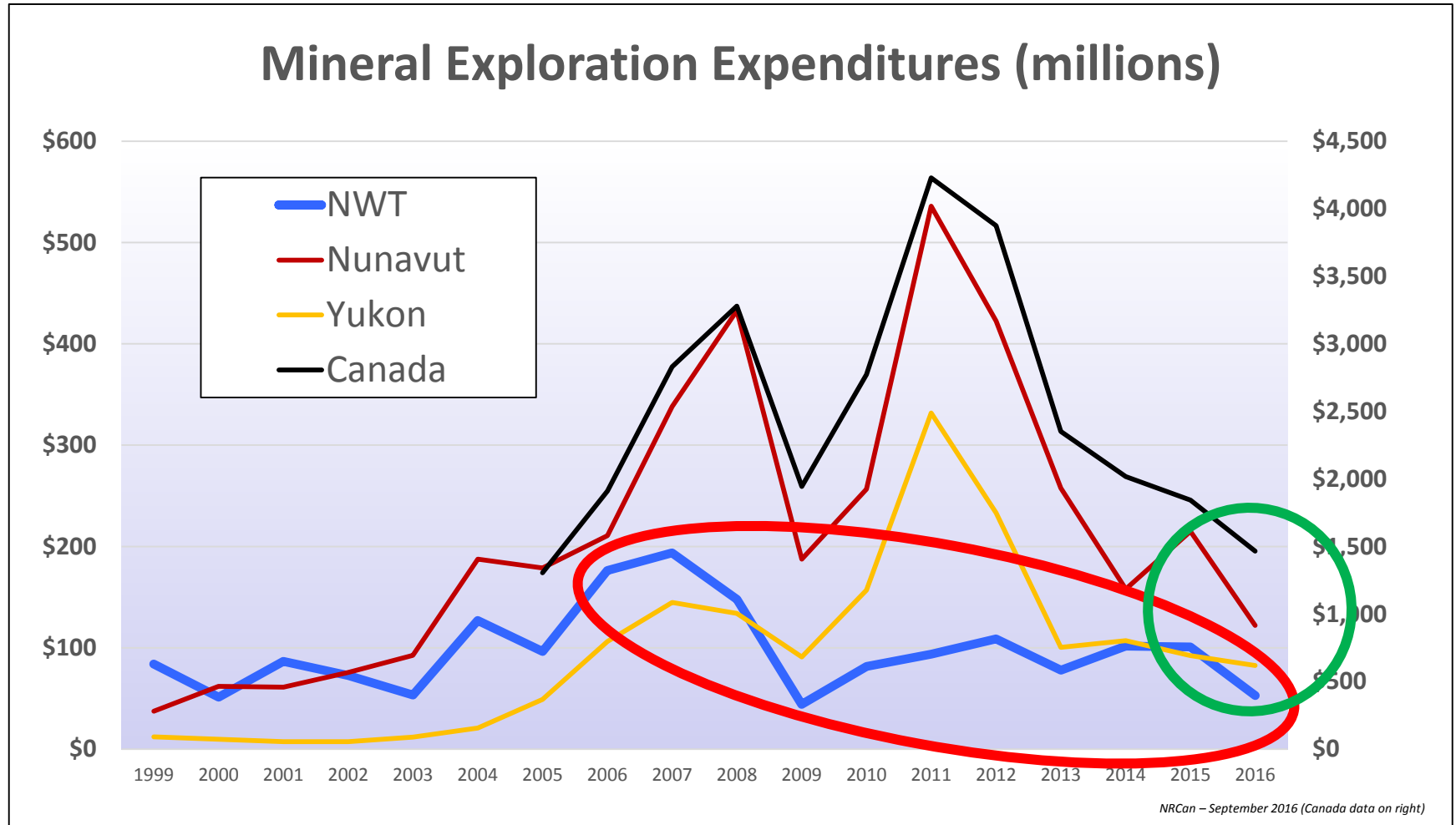
- Ekati in permitting to add 10+ years life, but smaller mine
- Diavik firm closure in 7 years
- We gained Gahcho Kue, but we lost Cantung & Snap Lake

And not all mines are equal, eg, Jobs



- **Future mines are smaller & deliver lower government revenues & community benefits**
- **Not just Jobs, but Northern & Aboriginal business spending will fall too**
- **Many small mines needed to replace impact of just 1 diamond mine**
- **We need to find more new mines**

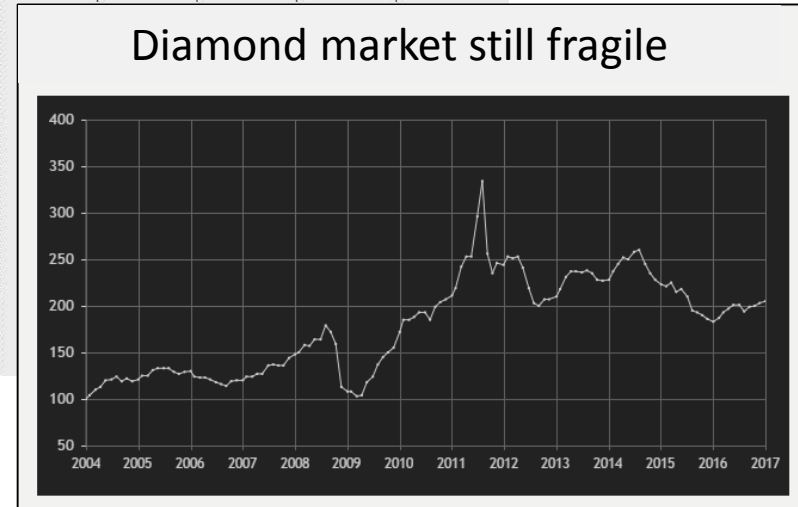
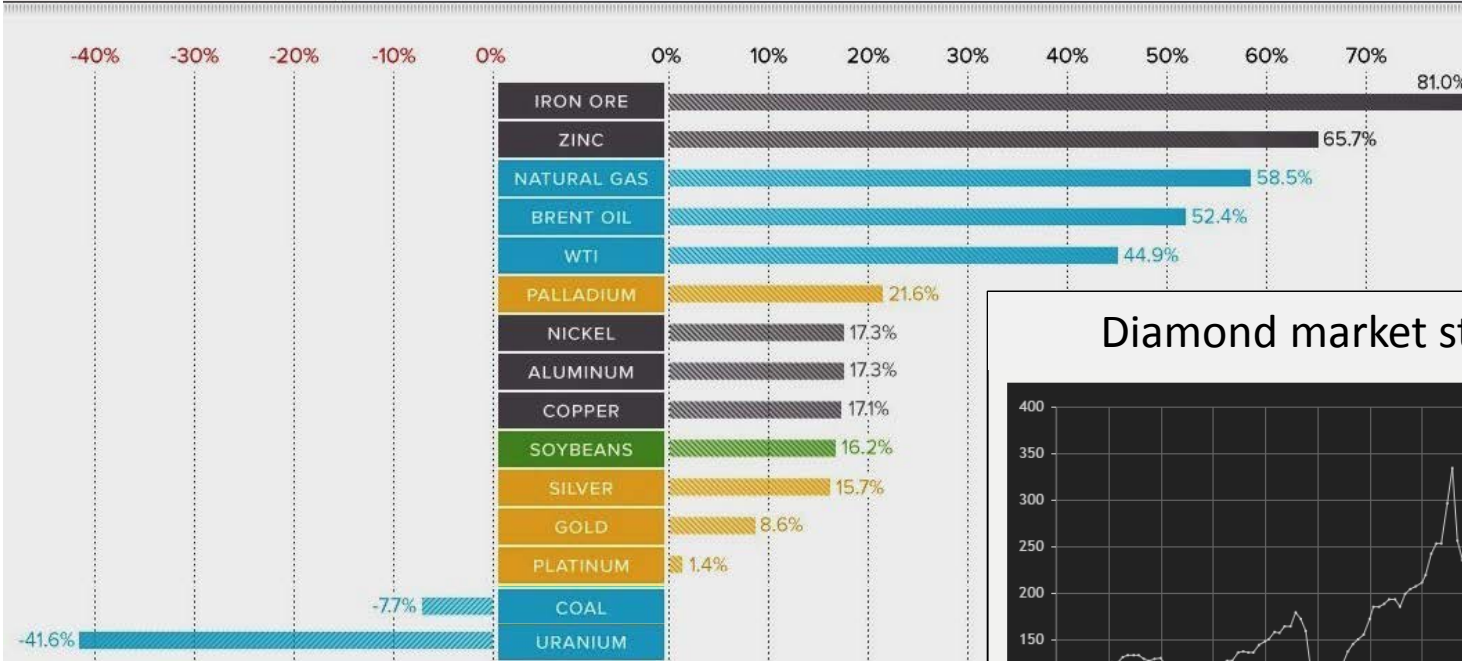
NWT Exploration is not healthy



- **NWT investment out of step with Nunavut, Yukon, Canada, and World**
- **NWT missed \$1 billion in exploration investment compared to Nunavut and Yukon**
- **NWT is a high cost jurisdiction that is perceived to be hostile to mineral investment**

IF ... the market is turning around, then

VISUAL CAPITALIST COMMODITY PERFORMANCE IN 2016



... are we positioned to take advantage of rising commodity prices & capital markets?

Is the NWT really open for business?

Actions needed	Actions needed taken	Department
Infrastructure Investment	Complete Tlicho Road funding & construction	DOT
	Slave Province road concept – start with all-weather portages	DOT
Reduce cost pressures	Say NO! to regulatory cost recovery	ENR
	Exempt small projects from EA	ENR, DAAIR
	Don't increase quarry rents	Lands
	Reduce costs of New NWT Air Quality Reg's	ENR
	Alternative to northern Carbon Tax	ENR
	Exempt miners from Yellowknife Airport Improvement tax	DOT
Maximize Access to Land	Settle Aboriginal Land Claims – remove interim withdrawals	DAAIR
	Advance land use planning – maximize land access	Lands
	Limit protections under NWT Conservation Network Planning	ENR
	Address Ottawa demand to protect at least 17%	Exec
	Release the mineral potential land around Thaidene Nene park	ENR
Support Explorers	Double MIP (Mining Incentive Program)	ITI
	Extend the 150% assessment credit	ITI
Increase Public Awareness, Support for mining	ECE incorporate Mining Matters into Curriculum	ECE
	Launch Public Awareness Program	ITI, ECE, ENR
	Support Chamber Public Awareness Project	ITI
	Regional (Aboriginal) Mineral Development Strategies	ITI
	Prospector & mine training funding	ITI, ECE
Market NWT to investors	“Unlocking Our Potential” messaging	ITI
	Aboriginal participation at conferences	ITI, DAAIR
Market NWT to Northerners	Be vocal in your support for mining	All

Legend: Red is bad for investment. Green is good and can even be enhanced. Yellow is somewhere between, eg, a commitment or a work in progress for which we don't know the progress, or it's partially done but not concluded, or we need GNWT to help advance with Canada.

Our #1 Issue: Winning hearts and minds

- Industry is here at the invitation of governments to do what you cannot do
 - Bring our money and expertise to turn your resources into responsible development, meaningful jobs, northern business, and significant taxes and royalties
- Industry will continue to have problems in sustaining **YOUR** needs unless we get more support
 - GNWT must communicate the importance of mining to their constituents
 - Need strong alignment between GNWT, Aboriginal Governments and Communities in support of a strong resource sector for their collective benefit
 - Aboriginal governments must be encouraged to participate
 - Industry and governments need a strong Public Awareness campaign
- We must start this now if we are to avoid a significant economic setback – the signs are already there