

# Northern Mining News

Volume 4, No. 4

April 2011



## In this issue:

New Nunavut Office Announced!.....	2
Sahtu Company Works on Selwyn Mobilization Project .....	3
Agnico-Eagle Finland Trip.....	3
Updated Federal Aboriginal Consultation Guidelines .....	4
Uranium Forums Show Community Support For Uranium.....	5
Uranium Website in Nunavut Review.....	5
Nunavut Mining Symposium – Record Attendance.....	6
New Documents from Mackenzie Valley Land & Water Board .....	6
Aboriginal Mining Guide .....	7
Management Changes – Diavik Diamond Mine .....	7
Diamond Mine Winter Road Success.....	8

## From the Exec Director ...

Well, the really big news this month is the announcement that we are opening a new office in Nunavut!

Since division and the creation of Nunavut in 1999, the NWT & Nunavut Chamber of Mines has served companies operating in both territories from their office in Yellowknife in the Northwest Territories.

Given the significant growth in the minerals industry in Nunavut over the past half dozen years, it's time to provide support and marketing of our great industry closer to the action. Thus, our decision to open the new office in Iqaluit, capital of Nunavut.

Our new General Manager is Elizabeth Kingston, who begins her first day on the job on April 28. Please join me in welcoming Liz to her new job and to the mining industry. She will no doubt welcome you in visiting her in our new downtown office in the Brown Building.

We thank all of our many supporters in industry, government and the Inuit organizations who are supporting the creation of our new office and we look forward to working with you much closer to home!

... Tom Hoefer, Executive Director

***Our Mission:*** *To be the leading advocate for responsible and sustainable mineral exploration and development in the NWT and Nunavut.*

## New Nunavut Office Announced!

On April 5, Chamber Vice President for Nunavut, Pamela Strand announced at the opening of the Nunavut Mining Symposium that the Chamber of Mines is opening an office in Iqaluit, Nunavut.

She also introduced our Nunavut office's first General Manager, Elizabeth Kingston. "Elizabeth is well known throughout Nunavut's communities for promoting training and development opportunities that enhance municipal government operations. Her primary goals will be to inform Nunavummiut about the mining industry, work with our member companies, and monitor and support regulatory changes that maintain Nunavut as an attractive investment climate for mineral development."

*Opening a Nunavut office is timely.*

Nunavut is witnessing a renaissance in mineral development. Just over a year ago, Nunavut's mining industry was restarted with the opening of the Meadowbank gold mine. Through its significant training, employment and business contributions, and its additional financial contributions to both government and Nunavut Tunngavik Incorporated, Meadowbank is contributing nearly a quarter of Nunavut's GDP today.

Exploration is also strong, with companies investing in a wide portfolio of Nunavut mineral targets, from gold to silver, from iron to diamonds, from copper to zinc and uranium. With its strong support for mineral development and its secure investment climate, Nunavut is attracting significant investment. Natural Resources Canada is projecting an investment of over \$320 million this year, making Nunavut the 4<sup>th</sup> largest minerals investment destination in Canada.

According to Ms. Strand, "Nunavummiut need and deserve the significant opportunities that mining and exploration can bring. The Territory is experiencing Canada's only baby boom and population growth is the largest in the country. This is adding to already high unemployment in the communities. A healthy and growing industry can make a difference."

She also expressed her thank you to the many supporters of the minerals industry. "We thank our many Nunavut members who have agreed to pay an extra membership fee to help launch the new Nunavut Office. And we graciously acknowledge the contributions of the Government of Nunavut through its Nunavut Economic Foundations Fund."



Elizabeth Kingston will be new Nunavut office General Manager.

## **Sahtu Company Works on Selwyn Mobilization Project**

*Vancouver, BC, April 4, 2011* – Selwyn Resources Ltd. (“Selwyn”) is pleased to announce that Selwyn Chihong Mining Ltd. and its contractors completed the successful mobilization of mining equipment and supplies at Selwyn Project.

The mining equipment and supplies were purchased by Selwyn Chihong to undertake an advanced exploration program on the XY Central deposit. The proposed underground development work is expected to commence mid-summer 2011, upon completion of the underground portal and environmental support facilities.

In total, 82 B-train truck loads were hauled into the XY camp along the all-season access road from the Nahanni Range Road to the Selwyn Project. The Nahanni Range Road is part of the Yukon highway system and connects to the Robert Campbell Highway. The ice bridges along the access road that had been used to cross creeks have now been removed, satisfying permitting and regulatory conditions.

Selwyn Chihong’s winter road contractors—Mackay Range Development Corporation, a Sahtu First Nations enterprise from Tulita, Northwest Territories, and Arctic Construction Limited of Fort St. John, British Columbia—are now demobilizing. Roktek Service Inc. of Prince George, British Columbia, integral in the procurement of mining equipment and supplies, has finished the staging of equipment at XY camp.

## **Agnico-Eagle Finland Trip**

In early April, Agnico-Eagle Mining (AEM) hosted a tour of around 70 participants of their new Kittilä gold mine in Lapland, northern Finland. The mine is named after Kittilä, a town and municipality of Finland and a popular holiday resort. The Kittilä mine began production in 2009 and is purportedly the biggest gold mine in Europe.

AEM operates a similarly new gold mine north of Baker Lake, and is hoping to construct a second gold mine just north of Rankin Inlet by the Meliadine River. The intent of the Finland tour was to share with Nunavut and Kivalliq leaders some of the Finnish community of Kittilä’s experience with the construction and operation of this new gold mine in a somewhat similar environment to the Kivalliq. The Kittilä mine is 150 km north of the Arctic Circle.



**Kitilla Mine, left; Greenland mining school, right**

Among the 45 invited participants in the Finland tour were Economic Development Minister Peter Taptuna, Environment Minister Dan Schewchuk, Community Government Minister Lorne Kusugak, plus a number of mayors, councillors, and business and Inuit association representatives.

Some of the participants' observations included:

- high level of technology used in Finland which reduces labour needs, compared to Baker Lake where AEM hires more people;
- small footprint of the mine;
- the high level of local employment; and
- the juxtaposition and successful coexistence of a mine with a popular recreation destination.

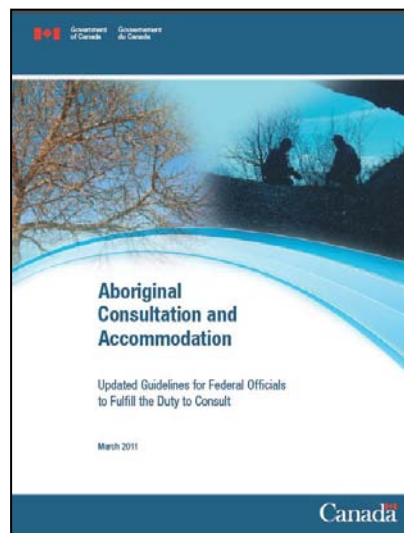
On the return flight, participants stopped in Greenland to visit the new Greenland mining school in Sisimiut. Despite having no mines yet, the Greenland government is preparing themselves for a number of future mining operations. In addition to bricks and mortars in the community of Sisimiut, the school has constructed a "hands on" training site in the mountains nearby. Students are learning safety training, Arctic first aid, basic fire fighting, geology, surface mining, underground mining, survey and basic blasting. Greenland also insists students learn English, which they regard as the common language in the global mining industry.

### Updated Federal Aboriginal Consultation Guidelines

If you're interested in knowing more about the Crown's obligations to consult with Aboriginal peoples, then you may be interested in the Updated Guidelines for Federal Officials to Fulfill the Duty to Consult issued in February 2011. See: <http://www.ainc-inac.gc.ca/ai/arp/cnl/ca/intgui-eng.asp>

The Government of Canada consults with Canadians on matters of interest and concern to them. Consulting is an important part of good governance, sound policy development and decision-making. In addition to good governance objectives, the federal government consults with Aboriginal people for legal reasons. Canada has statutory, contractual and common law obligations to consult with Aboriginal groups. The process leading to a decision on whether to consult includes a consideration of all of these factors and their interplay. The focus of the Interim Guidelines however is not on the broader context but on when, who and how to consult pursuant to the common law duty to consult most recently described by the Supreme Court of Canada in *Haida, Taku River and Mikisew Cree*.

The guidelines form part of an Action Plan on consultation and accommodation launched in 2007.



## Uranium Forums Show Community Support For Uranium

In late March through early April, the Government of Nunavut sponsored three public forums to discuss uranium. Forums were held in each of the three regions of Nunavut, in the communities of Iqaluit, Baker Lake and Cambridge Bay.



Fred Throassie and Grant Feasbie



The Chamber of Mines participated with a booth and staff to answer questions from the public on uranium mining.

Chamber staff also joined – on stage – representatives of the Nunavut Government, Nunavut Tunngavik Inc., the Canadian Nuclear Safety Commission, and the anti-nuclear, anti-uranium mining group Nunavummiut Makitagunarningit (backed by NGO Mining Watch) to answer questions from the public.

On stage for the Chamber of Mines at all three forums was Freddie Throassie, a former chief of the Black Lake in northern Saskatchewan, with over 30 years experience in uranium mining, and Grant Feasby of SENES Consulting who also has a lifetime of experience in the uranium and nuclear field.

David, an Inuit Elder from Whale Cove provided an interesting perspective when he described how Inuit learned from their Elders about the dangers of thin ice, blizzards, and going up the river. But he said they didn't actually understand those dangers until they experienced them. Similarly, he reasoned that Inuit need to be part of uranium mining to learn first hand about the risks, rather than just being told so by others.

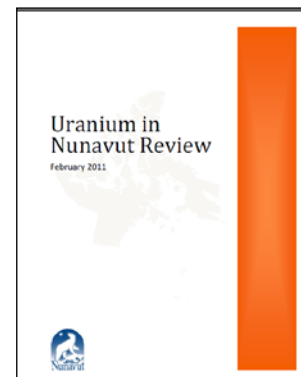
From an observer's perspective, general consensus of the meetings is that participants continue to be supportive of uranium mining in Nunavut.

## Uranium Website in Nunavut Review

Complete the **Online feedback form**

Don't forget to visit the Nunavut Government's website and register your comments on the uranium policy. Visit: their website: [www.uranium.gov.nu.ca](http://www.uranium.gov.nu.ca) and complete the **Online feedback form**. Deadline is May 15.

There you'll also find a report Titled: **Uranium In Nunavut Review** produced by the government of Nunavut to help explain uranium to the public.



## Nunavut Mining Symposium – Record Attendance

April 4-7 saw another successful Nunavut Mining Symposium. Attendance hit a new record of 450 registered delegates, up 50 from 2010, confirmation of the strong interest and investment in Nunavut's future mining industry.

For those interested in viewing presentations from the 2011 NMS, they may be downloaded at [www.nunavutminingsymposium.ca](http://www.nunavutminingsymposium.ca). A list of delegates who attended can also be found there.

The show wasn't all work, and delegates had time for some meaningful fun too. A silent and raffle auction charity midway through the show raised \$16,989, money that has been donated to Nunavut Sivuniksavut (NS), a unique 8 month college program based in Ottawa. NS is for Inuit youth from Nunavut who want to prepare for the educational, training and career opportunities created by the Nunavut Land Claims Agreement and Government of Nunavut.

The following awards, sponsored by Canadian North, were presented at the closing Gala Banquet:

- The Murray Pyke Corporate Award – **Sabina Gold and Silver Corp.**
- The Mike Hine Award – **Ebe Scherkus of Newmont Mining** and **Allison Rippin Armstrong**
- The Government Award – **Natural Resources Canada**

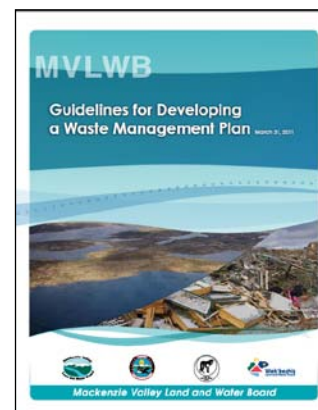


## New Documents from Mackenzie Valley Land & Water Board

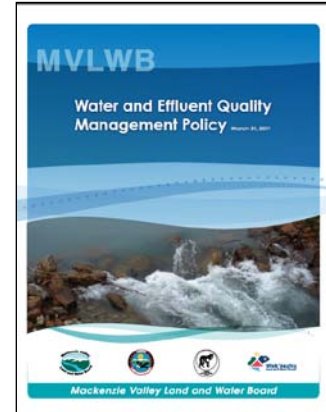
On March 31, the Chair of the Mackenzie Valley Land and Water Board (MVLWB) announced the release of two policy and guideline papers produced by the Board's Standard Procedure and Consistency Working Groups (WG). At the MVLWB's Full Board meeting in early December, Board Members approved both the Water and Effluent Quality Management Policy and the Guidelines for Developing a Waste Management Plan.

The Policy and the Guidelines are the respective products of the Water/Effluent Quality Guidelines WG and the Plan Review Process and Guidelines WG. They were approved by the MVLWB on December 8, 2010 and are available at [www.mvlwb.ca](http://www.mvlwb.ca).

"This is a watershed moment in the history of the Land and Water Boards of the Mackenzie Valley" said MVLWB Chair, Willard Hagen. "The implementation of these products by all of the Land and Water Boards in the Mackenzie Valley will help provide the consistency and clarity we want for proponents, governments, communities, and all stakeholders," he explained.



Dr. Kathy Racher, Chair of the Water/Effluent Quality Guidelines Working Group, explained that the Water and Effluent Quality Management Policy describes the Boards' approach to managing the deposit of waste into the receiving environment through enforceable terms and conditions set in water licences. The Policy is necessary to ensure that Board decisions are clear, timely, consistent, and transparent. The Policy will enable proponents, stakeholders, and other interested parties to make more informed submissions to the Boards which will, in turn, lead to more efficient and effective Board processes and decisions.

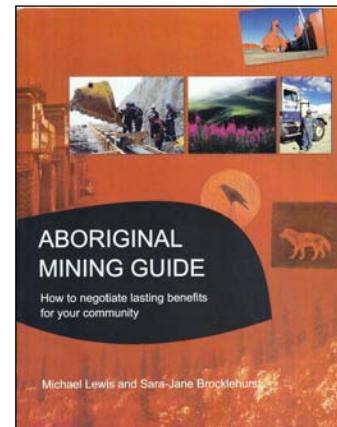


## Aboriginal Mining Guide

Recently we became aware of a new publication intended to help Aboriginal communities in working with mining companies. Titled: **Aboriginal Mining Guide**, it is available for FREE download or on-line use at this site: <http://www.miningguide.ca/>.

The guide uses 5 case studies: NWT diamond mines, Raglan, Brewery Creek, Voisey's Bay, and Keno Hill Silver District to help explain concepts including Mining Basics, Leverage, and Negotiating Benefit Agreements and Joint Ventures. On the whole, the publication is quite balanced, and very informative, although I can say from personal experience that their description of the Diavik diamond mine is biased towards just one Aboriginal community's perspective, and misses the huge benefits and success stories arising from the project with the Tli Cho Aboriginal community.

The Guide focuses on how communities can work together with mining companies, rather than as adversaries, a tired and old approach that needs to change. All in all, I believe it will be of interest to both mining companies and Aboriginal communities. The document was published by the Canadian Centre for Community Renewal in collaboration with Tr'ondëk Hwëch'in and the Canadian Northern Economic Development Agency (CanNor).



## Management Changes – Diavik Diamond Mine

Diavik Diamond Mine President and COO, Kim Truter will be leaving Diavik towards the end of June 2011. As part of his departing message, Kim stated: "Our approach at Diavik has and always will be one of partnering and working with our stakeholders to ensure mutual success and working towards a common vision. We all have much to be proud of. Please be assured that Diavik and its funding partners Rio Tinto and Harry Winston will continue the proud tradition of using our resources wisely and ensuring a positive legacy for the future."

Also leaving Diavik, Vice President of Operations Bill Forsyth has been transferred to a new role within the Rio Tinto Technology and Innovation Group. Bill will leave Diavik towards the end of May 2011. Marc Cameron will act as Vice President Operations during the transition period and

as we complete our recruitment process. Bill has been at Diavik since 2004 and has played a significant role in progressing the underground project and leading the operational team at site.

## **Diamond Mine Winter Road Success**

This year's winter road season was another success for the diamond mines.

By March 31, the road had been officially closed to northbound traffic with only a few trucks north of Lockhart Lake left to complete their final delivery of loads. A total of 6,832 northbound loads had been dispatched from Yellowknife, and a total of 557 backhauls came south from the mines. Total tonnage hauled this season was 239,000 tonnes.


It was a successful road season, and cold weather assisted in ice growth. Full "Super B" truck load weight was reached on February 17. Most importantly, there were no major safety and environmental incidents.



Backhaul of massive Diavik haul truck boxes.

## **Interested in Advertising?**

We are in the process of reviewing our newsletter from format to publishing schedule to content. We're also considering paid advertising to help members and others get their messages out to our readers. If you are interested, please contact Cheryl Wourms our office manager at: [nwtmines@ssimicro.com](mailto:nwtmines@ssimicro.com).



**NWT & NUNAVUT  
CHAMBER OF MINES**

*Established 1967*

***Northern Mining News*** is written and published by the  
NWT & Nunavut Chamber of Mines  
for free distribution electronically to  
those interested in the northern minerals industry.

For further information contact us at:  
PO Box 2818, Yellowknife, NT X1A 2R1  
Email: [chambermines@ssimicro.com](mailto:chambermines@ssimicro.com)  
Website: [www.miningnorth.com](http://www.miningnorth.com)