

Chamber of Mines News Briefs – November 17 - 18, 2015

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FEDERAL NEWS

Now for the hard part: The road ahead for eight cabinet ministers

Meet eight Liberal ministers with the toughest jobs in government: delivering on an electorate's sky-high hopes

Macleans - November 13, 2015

John Geddes, Paul Wells, Aaron Wherry and Laura Payton

To see them strolling up the Rideau Hall driveway in the sunshine to be sworn in, you'd never have guessed what awaited them. The 30 MPs Justin Trudeau chose for his first cabinet were all smiles that day last week, but for at least some—especially the eight we've chosen to introduce here—there would be no grace period to ease into their new jobs. Instead, a combination of uncommonly ambitious Liberal campaign promises and unrelenting real-world pressures are forcing them to learn on the fly.

Success is far from assured. The veterans in the group must realize that already. They include familiar figures like Ralph Goodale, the former finance minister, who must now, in the Public Safety portfolio, find a way to amend the Tory anti-terrorism law sufficiently to satisfy critics who say it undermined civil rights, but not so much that he activates latent fears that Liberals are soft on security.

There's also John McCallum, the former defence minister, now assigned to Citizenship, Refugees and Immigration, who must try to bring 25,000 refugees to Canada by year-end—a Trudeau commitment some refugee experts see as all but impossible to responsibly fulfill. Another veteran MP, Indigenous Affairs Minister Carolyn Bennett, has to deliver not only an inquiry into missing and murdered Aboriginal women, but also somehow fix seemingly intractable deficiencies with on-reserve schooling, housing and water quality.

The political rookies in the group may be less acutely aware of the looming prospect of falling short of sky-high voter expectations—or failing outright. It's probably lucky they don't have time to ponder the pitfalls. Environment Minister Catherine McKenna has plunged directly into a swirl of international talks, in preparation for a UN climate change summit in Paris from Nov. 30 to Dec. 11, for which the Liberals

came to power without proposing anything approaching clear Canadian emissions-reduction targets. Finance Minister Bill Morneau may have a stellar reputation on Bay Street, but his blue-chip business background won't necessarily count for much if a stubbornly sluggish economy undermines any goodwill generated by modest Liberal tax cuts.

Of course, politics isn't all policy; the personas of the new cabinet ministers potentially matter just as much. For instance, Morneau hails from corporate Canada, but also arrives in Ottawa as a longtime volunteer advocate for homeless youth in downtown Toronto. He might find a lot to talk about with Justice Minister Jody Wilson-Raybould, given her professional experience as a prosecutor in Vancouver's drug-ravaged Downtown Eastside. Chance crosscurrents like their shared passions are the intangibles of cabinet politics that can shape government priorities, behind the scenes, in unpredictable ways.

Trudeau has vowed to let his ministers chart their own courses to a degree that outgoing prime minister Stephen Harper didn't permit. "This is going to be a period of slight adjustment for a number of people in the political world in Canada, because government by cabinet is back," Trudeau says. Yet his top advisers are also reportedly setting up so-called "delivery systems"—a concept borrowed from the Labour government of former British prime minister Tony Blair—to make sure departments don't stray from implementing Trudeau's priorities.

So striking the balance between the new Prime Minister's authority and his cabinet ministers' autonomy remains a work in progress. They won an election together, but running the country is another matter. The late Mario Cuomo, the former governor of New York, famously observed that politicians campaign in poetry, but must govern in prose. In the long campaign of 2015, Trudeau supplied such stirring poetry, verbal and visual, that his party was swept into power on a wave of uncommonly high hopes.

The eight ministers you'll meet here, and their 24 cabinet colleagues, must now deliver the prose—legislation drafted and passed, targets set and met, programs designed and implemented. Unlike the sunlit path they walked down together on the day they were sworn in, cheering crowds won't always line the testing road ahead.

NUNAVUT NEWS

Nunavut Arctic College sees fewer grads in 2014, but high satisfaction, employability

College survey considers potential, investments in community learning centres

Nunatsiaq News - November 17, 2015

SARAH ROGERS

Nunavut Arctic College saw its number of graduates drop by almost a third between 2013 and 2014, a new college-lead survey reveals.

In the spring and summer of 2014, 222 Nunavummiut completed a NAC degree, diploma, certificate or record of achievement program.

But that's a decrease of 30 per cent from 2013, when 314 students graduated from the college.

It's also the lowest number of grads seen by the college for five years — in 2013, NAC saw 305 graduates; 321 in 2011 and 296 in 2010.

But the college's 2014 graduate survey, the results of which were released last week, shows the college is graduating highly satisfied students with employable skills.

The survey also finds that NAC is providing important programming for Nunavut students with families, who may not have the option of pursuing an education out of the territory.

Of the college's 222 graduates, 102 of them — or 45 per cent — responded to the college's survey this past summer by phone, email or mail.

The survey found that 99 per cent of respondents were satisfied with their programs.

Here's the top reason: students said the program gave them the office skills they needed to get hired, from simple accounting to computer skills.

Sixty per cent of the college's 2014 grads are now employed, the survey found, the vast majority of them full-time. Sixty-three per cent of employed grads had landed jobs with the Government of Nunavut.

And the majority of NAC graduates completed their studies while caring for families, the study found: 68 per cent of graduates had children.

"Given that [number] of respondents have children and 66 per cent are married or in a common-law relationship, their ability to go away for post-secondary education is limited," NAC noted in the survey's findings.

"The better NAC is able to meet people's education needs in their home communities, the more Nunavut residents will be able to develop their skills and learn new ones."

The survey also suggests the college has done a good job of expanding its program offerings outside of the college's three main campuses in Iqaluit, Rankin Inlet and Cambridge Bay, because 43 per cent of grads completed programs at local community learning centres.

"This would also mean a reduction in travel expenses, and leave more money available for programs," the survey concluded.

"It may be a better use of government money to upgrade CLC facilities and expand programs than to pay for the travel and accommodation of students at larger campuses."

That's a recommendation that will factor in to a feasibility study currently underway, commissioned by the GN, to look at the potential for a standalone university in the territory.

But the study will also consider the possibility of investing resources into the existing Nunavut Arctic College to offer more university-level courses or degrees.

Currently, the percentage of college graduates who earn a degree is still small overall. In 2014, 10 per cent of NAC grads earned a degree, 41 per cent graduated from certificate programs, 40 per cent earned a "Record of Achievement" and nine per cent left with diplomas.

"These findings need to be considered in the light of emerging demands for skills and education in Nunavut territory," the college concluded.

"The existing needs for teachers and health care professionals with degree level education are obvious. The policy level implication would be how to attract more young people to degree programs."

NAC calls its graduate survey is "an important tool" that assists college develop plans for program delivery and improved services.

Some of the survey's other findings include:

- 16 per cent of NAC's 2014 graduates went on to pursue further post-secondary education, the majority of them in Nunavut;
- 64 per cent of graduates said they chose NAC for its program content and quality, while another 25 per cent said they wanted a program close to home;
- three quarters of all 2014 graduates had access to a computer and internet at home while they completed their studies;

- just over half of respondents were based in the Baffin region, compared to 21 per cent in the Kivalliq and 13 per cent in the Kitikmeot.

Almost all — 99 per cent — of survey respondents were Inuit.

“It’s a lot easier to understand the instructor if it is an Inuk, as they can explain from English to Inuktitut,” a respondent wrote in the survey.

Exploration up 28 per cent

Only projected increase among the territories

Northern News Services - November 13, 2015

Karen K. Ho

NUNAVUT - According to a new report from Natural Resources Canada (NRCan), Nunavut is the only territory where exploration expenditures are expected to go up.

The department's revised spending intentions for exploration in each of the provinces and territories show that Nunavut's amount has risen to \$202.5 million, up from \$158 million last year, a projected increase of 28 per cent.

NRCan said this includes 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.

The information comes from the federal-provincial-territorial survey of mineral exploration, deposit appraisal and mine complex development expenditures.

According to the latest report, the significant majority of spending in Nunavut this year is expected to be for precious metals at 160.3 million or 79.2 per cent. In 2014, spending on exploration of precious metals was \$125.8 million.

Senior companies in Nunavut are expected to spend the majority at \$122 million or 60 per cent of the total exploration funding. In the territory, \$80.8 million or 40 per cent of the spending is projected to be on grassroots exploration, the remainder on deposit appraisal.

Much of the exploration spending projected for this year comes from mining company Agnico Eagle.

Earlier this year, the company staked even more property near its Meliadine gold project, located about 25 kilometres north of Rankin Inlet and 290 kilometres southeast of the company's Meadowbank mine.

The company stated in its news release regarding its third quarter earnings last month it recently staked claims totalling 68,012 hectares on land west-northwest of Meliadine, an advanced stage project. The company said after nearly 800 rock samples were collected, 21 of them returned values above 1 gram of gold per tonne, including seven with more than 10 grams of gold per tonne and a maximum value of 42 grams of gold per tonne.

Agnico Eagle also completed 108,000 metres of drilling in 378 holes at its 114,761 hectare exploration project, Amaruq.

According to the NWT and Nunavut Chamber of Mines, as a share of projected investment across Canada, Nunavut remains in fifth place and the NWT rises to seventh place among all the provinces and territories.

NRCan projects that total Canadian exploration and deposit appraisal expenditures for 2015 will be \$1.9 billion, a decrease of seven per cent from \$2 billion recorded last year.

Medevac companies unveil new look

AMS celebrates 20 years in new planes and with more services

Karen K. Ho

Northern News Services - November 16, 2015

Air ambulance services across Nunavut may look a little different this month, but two familiar companies are behind the scenes.

Air Tindi and Advanced Medical Solutions (AMS) recently unveiled ACCESS, a new formal partnership between the airline and medical services company for their long-term medevac contract with the GNWT.

"It's a big, positive step forward," Air Tindi president Al Martin told Nunavut News/North. AMS serves the GN and Kitikmeot region.

AMS president Sean Ivens said discussions about ACCESS, which stands for Aeromedical Critical Care Emergency Services Specialists, started after a 2014 request for proposals required one company to serve the NWT.

"We decided neither would be the subcontractor, and a partnership meant we would have equal say and ownership in the contract," said Ivens. "It also prevents each company from impacting the others quality and safety."

Before this change, Air Tindi and AMS had separate contracts for providing air ambulance services for the GNWT for seven years.

But while ACCESS is a brand that is limited to the NWT, patients in Nunavut will see major benefits. That's because Air Tindi recently unveiled its newest King Air 250 planes, which Ivens said will increase both the quality of care and the work environment for the medics working inside them. Air Tindi also renovated a hangar at its offices in Yellowknife for AMS medevac staff and patients.

"When we transfer patients, we're able to transfer them in a warm, comfortable environment rather than out in the cold," Martin said.

A new on-site storage facility and equipment space is also available for the medics at the site, he added.

"So when they arrive they can get all the gear they need so they can head out on a flight right away. That speeds the whole process up," he said.

Ivens said the design of those new King Air 250 planes are purpose-built for air ambulance services, which will increase both the quality of care for patients and the work environment for the medics working inside them.

"They're more reliable and slightly faster, which means better response time," he said. "They also came from the factory set up for air ambulance with integrated communication equipment and all cabinetry designed for our services."

Each plane is equipped with two beds and are all the same, Martin added.

"It just makes such a difference to have a standardized fleet," he said.

Ivens said even the design of the seats is ergonomically much better and safer, which means fewer work-related injuries, less fatigue and greater safety.

"Plus there's the novelty of a new aircraft," he said.

They even come equipped with built-in coffee machines for long, late-night flights.

From firefighter to CEO

AMS wasn't always the medical services provider for the Government of Nunavut and the Kitikmeot region.

The company's first medevac contract with the GNWT was in 2007. Ivens said it wasn't an easy acquisition.

"It was more than a new business, there was a huge learning curve," he said. "But we were focused on providing quality and high-level health services to the North. It cost a lot to the company."

That investment paid off. In 2010, AMS took on a contract to provide air ambulance services for the Government of Nunavut and the Kitikmeot region.

Not bad for a guy who started his career in public care services as a volunteer firefighter. In addition to providing medevac services, AMS now has four other divisions, including occupational health services, medical supplies and education.

Looking back at 20 years

Even after 20 years of evolution and change, Ivens said the challenges of being a business in the territory are still mostly tied to higher costs across the board.

"We don't have the volume like in the south," he said. "And because everyone knows there's so much opportunity here, it's a competitive environment."

Ivens said being able to offer a diversity of services and have staff with a variety of abilities was also a big lesson.

"It's really difficult to become a specialist here," he said. "With a Northern business you have to be able to do a little bit of everything."

Ivens said AMS' status as a Northern company is very important to him, especially since he was born and raised in the North. While he said he works hard to source as much as he can from the North, Ivens said the calibre of medical professionals needed for his company aren't available in the territories. As a result, he has some southern staff come up for different rotations periods, such as four weeks on and then four weeks off.

"The challenge then is scheduling," he said. "But now we're considered in the top three across the country for air ambulance services and we're able to recruit from other medical programs."

Ivens said this arrangement, while not ideal, still allows his staff to support the territory's economy while providing patients across all of the communities with better medical treatment.

As for the future, Ivens said AMS is planning to grow in all of its divisions, including working with physicians located abroad as well as expanding its occupational health and education services.

"The \$500,000 investment we put into our simulation lab was private funding to support our air ambulance programs," he said. "It's the only one of its type in the North and there's great opportunity there."

RESOURCE DEVELOPMENT AND ENERGY NEWS

New Microdiamond data supports increased diamond content at CH-7 and the the potential to add 2.5 to 3.1 million carats at CH-6

News Release - November 17, 2015

Peregrine Diamonds Ltd. ("Peregrine" or "the Company") (TSX:PGD) is pleased to report new microdiamond results from the CH-7 and CH-6 kimberlites at its 100% owned Chidliak diamond project

("Chidliak") in Nunavut, Canada. Interpretation of the CH-7 results supports an improved diamond content for the entire kimberlite pipe and confirms the exceptional diamond counts for the near-surface KIM-5 unit. The CH-6 results support continuity of the 2.58 carat per tonne ("cpt") grade in the dominant KIM-L unit and the potential to add an additional 1 million to 1.2 million tonnes, or an additional 2.5 million to 3.1 million carats to the existing 8.57 million carat Inferred Resource at CH-6 that occurs shallower than 250 metres of depth. This tonnage is currently considered as a Target for Further Exploration ("TFE"). The TFE is conceptual in nature and it is uncertain whether the 2015 Diamond Resource Development Program will result in this being delineated as a Mineral Resource.

The integration of these microdiamond results with the forthcoming CH-7 bulk sample results will enable the Company to maximize the Inferred Resource statements for the CH-6 and CH-7 kimberlites. The updated Inferred Resource will be included in a planned Preliminary Economic Assessment ("PEA"), scheduled for the second quarter of 2016.

The caustic fusion assays were performed on representative drill core from the CH-6 and CH-7 kimberlite pipes by the Saskatchewan Research Council Geoanalytical Laboratories ("the SRC").

Mr. Tom Peregoodoff, Peregrine's President and CEO said, "These new results confirm the potential to add significant carats to the Chidliak resource base. In 2014 we added over one million carats to the CH-6 Inferred Resource by core drilling, an increase of 15%. We believe that the results from our 2015 Diamond Resource Development Program have the potential to add significantly more to the known diamond content at the CH-6 and CH-7 kimberlites and will position us well for the upcoming PEA."

Ch-7 Caustic Fusion Results

Representative samples were collected from archived drill core and from 840 metres of core acquired during the summer 2015 program. The 2015 core program sampled four of the five geological units in CH-7, representing the majority of the CH-7 pipe to 250 metres depth.

Results from a 47.2 dry tonne surface mini-bulk sample of the KIM-1 unit at CH-7 collected in 2010 established a benchmark diamond size frequency distribution curve corresponding to a 1.04 carat per tonne ("cpt") grade (+0.85 mm diamonds) for the CH-7 kimberlite. The 2014 and 2015 results from KIM-5 illustrate that this unit contains diamonds in quantities substantially exceeding the 1.04 cpt benchmark grade, and also exceeding the 2.58 cpt Inferred Resource grade for the CH-6 kimberlite. Size distribution data in Table 1 also demonstrates diamond content exceeding the 1.04 cpt benchmark for the KIM-3 and KIM-4 units at CH-7. In addition, new sample results from the volumetrically dominant KIM-2 unit at CH-7 support an improved diamond size frequency distribution and the proportion of commercial-size (+0.85 mm) diamonds recovered from this unit has increased compared to sampling from previous years. These results demonstrate the potential for an increased total diamond content of the entire CH-7 pipe.

Ch-7 Bulk Sample Update

The 2015, 558.5 wet tonne bulk sample from CH-7 consists of units KIM-2, KIM-3, KIM-4 and KIM-5. Dense Media Separation ("DMS") processing to a concentrate at the SRC is now complete for KIM-3, KIM-4 and KIM-5 and final diamond recovery and sorting is in progress for concentrates from these three units. DMS processing of the KIM-2 bulk sample material has commenced. The increased total diamond content recently identified by the caustic fusion results reported above should be supported by the upcoming bulk sample results for CH-7 which are expected in January, 2016 as previously reported.

Ch-6 Caustic Fusion Results

Representative microdiamond samples were collected from archived CH-6 drill core and 520 metres of core acquired during the summer 2015 program. The program was primarily designed to confirm

resource expansion opportunities from additional unit KIM-L material above 250 meters of depth currently not included in the CH-6 Inferred Resource. KIM-L is the dominant geological unit within CH-6, comprising approximately 80% by volume of the pipe shallower than 250 metres of depth. The current CH-6 Inferred Resource of 8.57 million carats is composed entirely of KIM-L. As reported on January 16, 2014, a bulk sample collected from KIM-L by surface trenching returned a grade of 2.58 cpt. Caustic fusion results from the 2015 work program are presented in Table 3 along with an aggregation of previous CH-6 microdiamond results.

The new results are consistent with previously reported caustic fusion data from CH-6 and supports continuity of the established KIM-L grade of 2.58 cpt into regions of KIM-L currently considered as TFFE. These diamond results together with geologic data from 2015 core drilling that was reported on September 9, 2015 have supported the potential to expand the CH-6 resource by 1 million to 1.2 million tonnes, or approximately 2.5 million to 3.1 million carats, bringing the potential CH-6 diamond content to more than eleven million carats above 250 metres depth. As reported on February 26, 2014, a 1,013 carat parcel of diamonds from CH-6, valued by WWW International Diamond Consultants, returned an average market price of US\$213 per carat. Average prices for the 1,2 and 3 carat size classes, which typically can form the majority of revenue from a diamond mine, were US\$293 per carat, US\$597 per carat and US\$482 per carat, respectively. The TFFE is conceptual in nature and it is uncertain whether the 2015 Diamond Resource Development Program will result in this being delineated as a Mineral Resource.

Dr. Jennifer Pell, Peregrine's Chief Geoscientist, is a Qualified Person and is responsible for logging Chidliak kimberlite core, with attendant responsibility to select and secure representative samples for caustic fusion diamond analysis. Dr. Herman Grütter, Peregrine's Vice President, Technical Services, is a Qualified Person and is responsible for the design of the Diamond Resource Development Program at Chidliak. Mr. Alan O'Connor, Peregrine's Program Manager, Chidliak Resource Evaluation, is a Qualified Person and is responsible for the design and conduct of bulk sampling programs at Chidliak. Ms. Catherine Fitzgerald, Project Resource Geologist is a Qualified Person and is responsible for geological modeling of CH-6 and CH-7.

Dr. Pell, Dr. Grütter, Mr. O'Connor and Ms. Fitzgerald have reviewed this release and approve of its contents.

About Peregrine Diamonds

Peregrine Diamonds core asset is its 100 percent-owned, 582,476 hectare Chidliak project, located 120 kilometres from Iqaluit, the capital of Nunavut where 71 kimberlites have been discovered to date with eight being potentially economic. An Inferred Mineral Resource of 8.57 million carats in 3.32 million tonnes of kimberlite at a grade of 2.58 carats per tonne has been defined for a portion of the CH-6 kimberlite. In addition, a target for further exploration ("TFFE") of 3.20 to 4.38 million tonnes of kimberlite to a depth of 380 metres below surface has been identified at CH-6. An independent diamond valuation by WWW International Diamond Consultants, of a 1,013 carat parcel of diamonds from CH-6 returned an average market price of US\$213 per carat and modelled prices that ranged from a minimum of US\$162 per carat to a high of US\$236 per carat, with a base model price of US\$188 per carat. A TFFE of 3.72 to 6.01 million tonnes to a depth of 290 metres has been defined at the CH-7 kimberlite. In 2010, a 47 tonne mini-bulk sample collected from the surface of CH-7 returned a grade of 1.04 carats per tonne. A TFFE of 1.27 to 3.19 million tonnes to 250 metres depth has been defined at the CH-44 kimberlite pipe. The TFFEs identified above are conceptual in nature and are not Mineral Resources. It is uncertain whether further exploration will result in any of these tonnages being delineated as Mineral Resources.

[Full Release](#)

Canterra completes exploration program, appoints new director and extends financing

News Release - November 17, 2015

Vancouver, BC - Canterra Minerals Corporation (CTM-TSX.V) (the "Company") is pleased to announce the completion of a till sampling program across the Company's South Slave Properties in the Northwest Territories ("NT") and the appointment of Mr. Andrew Farncomb to the Company's Board of Directors. For additional information, please visit the Company's website: www.canterraminerals.com

Exploration:

The recent till sampling program was designed to identify and further define potential drill targets. A total of 204 till samples were collected and are pending visual picking results. These samples will be added to the Company's proprietary database which comprises approximately 22,850 till samples, 42,000 microprobe analyses and 71,500 line kilometers of airborne and ground geophysics. In addition, ground work was completed at the Hilltop Property in anticipation of a 70 line kilometer OhmMapper survey to be conducted in early 2016. The survey will expand upon initial results obtained in 2015 which identified several targets for follow-up work (see news release June 17, 2015). The Company's 2014 and 2015 exploration work meets the requirements to maintain the Company's priority land package for an additional year through assessment credits.

Corporate:

The Company is pleased to announce the appointment of Mr. Andrew Farncomb to its Board of Directors. Mr. Farncomb is a founding partner of Cairn Merchant Partners LP, an independent merchant bank with extensive experience advising public and private companies on mergers, acquisitions and financing transactions in the natural resources sector. Mr. Farncomb was formerly a Partner and Investment Banking professional at Paradigm Capital Inc., and is currently a Board member of IDM Mining Ltd., and Chair of the Investment Committee at the Flavelle Foundation, a foundation providing funding to small charities across Canada.

Further to the Company's news release dated October 20, 2015, the Company has extended the closing of the second tranche of the non-brokered private placement (the "Offering") to until December 18, 2015. The terms of the Offering as previously announced on the Company's new release dated July 8, 2015 remain unchanged. The second tranche of the Offering will include selling flow-through share units at a price of \$0.08 per flow-through unit and common share units at a price of \$0.06 per common share unit to raise additional gross proceeds of up to \$500,000.

Bruce Kienlen, P.Geol, Senior Geologist for Canterra is the Qualified Person, as defined by National Instrument 43-101 and has reviewed the technical information in this news release.

About Canterra:

Canterra Minerals is a Canadian resource company specializing in diamond exploration with a focus on the Northwest Territories. In total, Canterra holds 97,220 ha in the South Slave Region, approximately 210 kilometers northeast of Yellowknife, NT and strategically located between the Snap Lake Diamond Mine and the Gahcho Kué Diamond Project. The Company also maintains a 33% interest in the Buffalo Hills Diamond Project in Alberta where a total of 38 kimberlites have been identified. As leaders of exploration in the junior diamond sector for over 25 years, the Canterra team has been involved in the discovery of two of Canada's four diamond mines, the Snap Lake Diamond Mine in the South Slave and the Ekati Diamond Mine in Lac de Gras. Location maps can be found on the Company's website www.canterraminerals.com.

Connecting Resources and Society Conference to be held in Botswana

News Release - November 13, 2015

Leading experts will meet in Botswana on 23 - 24 November 2015 for the Connecting Resources and Society conference that is set to explore the role of Botswana's diamond industry in the socio-economic development of the country since independence, almost 50 years ago. It will also discuss how responsible resource management can safeguard the benefits of resource extraction for future generations.

The conference, organised by Chatham House, a world-leading independent policy institute, will be hosted jointly by The De Beers Group of Companies and the Ministry of Minerals, Energy and Water Resources.

Across the two days, the hosts will be joined by civil society, members of the media and Botswana's private and public sectors. The speakers and panellists will examine the role of public-private partnerships, such as the one between the Government of the Republic of Botswana and De Beers.

The conference coincides with the publication of a report from De Beers exploring the socio-economic contribution to Botswana of its longstanding partnership with the Government. The report, which looks back over the history of the partnership and the economic contribution it made in 2014, shows that:

Between 1966 and 2014, Botswana's GDP per capita grew at an average of 5.9 per cent per year – the third highest rate anywhere in the world over this period - delivering real and lasting benefits for the country. Before independence:

- there were only three secondary schools in Botswana. Now there are more than 300 and every child receives free schooling up to the age of 13;
- there were just five kilometres of tarmacked road across the country. Now there are nearly 6,000 kilometres;
- there was one doctor for every 48,000 people. Now there is one for every 3,000 people.

In 2014, the Partnership, through direct, indirect and induced impacts, has:

- generated more than US\$4 billion of value to the Botswana economy, which is equivalent to more than 25 per cent of GDP – double that of the entire wholesale and retail sectors;
- contributed thousands of jobs in Botswana and spent around US\$6 million on more than half a million hours of training for its employees;
- in addition, De Beers' relocation of its multi-billion dollar international sales operation from London to Botswana contributed more than \$400 million to GDP, along with an increase in jobs and supply chain spend.

Hon. Minister of Minerals, Energy and Water Resources, Kitso Onkokame Mokaila, said: "We are delighted to co-host this conference. Our stewardship of Botswana's precious diamond resource has created huge opportunities for the country. As diamonds have brought about significant national economic growth, we look forward to sharing our experiences and continuing the conversation on future development opportunities."

Philippe Mellier, CEO, De Beers Group, said: "Societies across the world are increasingly – and rightly – demanding more value from their natural resources. Our partnership with Botswana is one of the world's most enduring and successful private-public partnerships, delivering significant benefits to the country. However, it is not a panacea and we look forward to exploring the lessons learnt and how these can be applied for the long-term prosperity not only of Botswana, but also for the benefit of other resource-rich nations around the globe."

Dr Alex Vines OBE, Head of Africa Programme, Chatham House, said: "I have seen how diamond revenues have not been drivers of equitable growth or tools for economic diversification in a number of

countries. Botswana can make its diamonds a catalyst for change and this conference will help showcase ideas on how this can be done.”

TerraX drills 10.26 m @ 3.61 g/t Au at Hebert-Brent Shear area, Yellowknife City Gold Project

News Release - November 18, 2015

Yellowknife, Northwest Territories -- TerraX Minerals Inc. (TSX-V: TXR; Frankfurt: TX0; OTC Pink: TRXXF) has received assay results from an initial six hole (953 m) drill program testing replacement style mineralization near surface in the Hebert-Brent Shear area on its Yellowknife City Gold Project ("YCG"), immediately north of Yellowknife in the Northwest Territories. Assay results for 42 holes drilled at Crestaurum this summer are pending and will be released once received and interpreted.

Highlights from the six holes reported today from the Hebert-Brent Shear include:

- 10.36 m @ 3.61 g/t Au, including 2.95 m @ 5.01 g/t Au and 2.58 m @ 6.45 g/t Au in hole TNB15-024, and
- 6.70 m @ 2.70 g/t Au, including 2.00 m @ 8.77 g/t Au in hole TNB15-025.

Drilling of the Hebert-Brent Shear was conducted to follow up on assays from cut channel sampling at surface that included 11.00 m @ 7.55 g/t Au (reported September 8, 2015) on the original Hebert-Brent Zone (H-B); 17.86 m @ 2.21 g/t Au on the Hebert-Brent East Zone (H-B East); 6.00 m @ 10.26 g/t Au on Hebert-Brent South Zone (reported September 8, 2015) and 4 m @ 13.89 g/t on the Brent Zone (reported October 28, 2015). This channel sampling interpreted multiple north to northeast striking shear zones intersecting steeply northeast dipping porphyry dykes that led us to expect north-easterly plunging zones of mineralization. These drill results, along with surface mapping that was carried out in conjunction with the drilling, reveal that the mineralization actually resides near the hinges of north to north-northeast trending fold axes plunging shallowly to the south. This new interpretation also shows that the mineralization in the H-B, Brent, and H-B East is the same zone of mineralization, located on a favourable gabbro and bleached mafic volcanics next to an identifiable sedimentary (mudstone) unit. Holes TNB15-024 and TNB15-025 at the H-B zone and TNB15-028 at the H-B East successfully intersected the targeted mineralization, albeit at different down-hole distances than anticipated. Holes TNB15-026 and 027 failed to intersect the zone as they were well below the actual plunge direction, although TNB15-026 crossed the structure with minor anomalous gold. Hole TNB15-029, targeted on the H-B South, also failed to intersect the zone as it was well below and north of the expected south plunge direction. A map showing all drill collar locations reported in this news release is available on our web site at www.terraxminerals.com.

The shallow plunge directions on the zones make it ideal for follow-up drilling with short holes, which will be undertaken during the winter drill program in early 2016. In addition, the favourable stratigraphic horizon for the mineralization, with the necessary sericite and chlorite alteration, has been mapped over much larger areas to the northeast of the Hebert-Brent Shear. These areas will be explored during field programs in 2016.

TerraX collected 804 samples for assay from the drilling reported here. Results ranged from below detection to a high of 15.2 g/t Au. Drill hole collar locations were surveyed to sub-meter accuracy. Down hole surveying (Easy Shot) was completed on all holes. TerraX inserts certified standards and blanks into the sample stream as a check on laboratory QC. Drill core samples are cut by diamond saw at TerraX's core facilities in Yellowknife. A halved core sample is left in the core box. The other half core is sampled and transported by TerraX personnel in securely sealed bags to ALS Chemex's (ALS) preparation laboratory in Yellowknife. After sample preparation, samples are shipped to ALS's Vancouver facility for gold and ICP analysis. Gold assays of >3 g/t are re-assayed on a 30 gm split by fire assay with a

gravimetric finish. ALS is a certified and accredited laboratory service. ALS routinely inserts certified gold standards, blanks and pulp duplicates, and results of all QC samples are reported.

TerraX and GeoVector Management Inc. were responsible for planning the drill holes. GeoVector was also responsible for the management and supervision of the drill program. The technical information contained in this news release has been approved by Joseph Campbell, the President of TerraX, who is a Qualified Person as defined in "National Instrument 43-101, Standards of Disclosure for Mineral Projects".

About the Yellowknife City Gold Project

The Yellowknife City Gold Project now encompasses approximately 116 sq km of contiguous land immediately north and now south of the City of Yellowknife in the Northwest Territories. Through a series of acquisitions, TerraX now controls one of the six major high-grade gold camps in Canada - and the least explored.

The project lies on the prolific Yellowknife greenstone belt and the combined Southbelt and Northbelt properties cover 23 km of strike length on the southern and northern extensions of the shear system that hosts the high-grade Con and Giant gold mines. The project area contains multiple shears that are the recognized hosts for gold deposits in the Yellowknife gold district, with innumerable gold showings and high grade drill results on the Northbelt property this past year that serve to indicate the project's potential as a world-class gold district. Since February 2013, TerraX has consolidated the project area by acquiring, optioning and staking numerous properties, including: Northbelt, Goodwin, Ryan Lake, Walsh Lake, U-Breccia and Southbelt, as well as staking additional contiguous lands. Being within 15 km of the City of Yellowknife, the YCG is close to vital infrastructure, including transportation, service providers, hydro-electric power and skilled tradespeople.

[Full Release](#)

De Beers Refuses Its Own Rough Diamonds: A Tipping Point?

ECONOMY - November 13, 2015

Diamond industry analyst Chaim Even-Zohar has published an analysis of the steps that led to, and the potential results of, De Beers' (DB) deferral of contractually obligated purchases from its own rough supplier in Botswana - Debswana (DW). Suddenly, the standard-bearing producer of rough diamonds is behaving like any other rough trader further downstream, refusing to purchase rough diamonds that are overpriced. Even-Zohar suggests that DB, and the industry as a whole, has reached a tipping point: the producers must decide to either "defend" rough prices at their current level and "starve" the rough diamond supply market so it can reduce its inventory overhang, or let rough prices fall even further in the hope of achieving immediate profitability (vs. 2014 prices, DB's prices are recently -15%, Alrosa -8%, Petra -9%, others 5-10%). As the latter option carries the risk that polished prices would tumble together with rough prices, Even-Zohar clearly believes the former is likely as well as preferable.

Firstly, reducing prices is not easy due to contractual pricing mechanisms. The DB-DW contract states that DB must purchase all of DW's production at Standard Selling Values (SSV) in effect at the time of sale. However, if the SSV is off the mark, DB will be unable to sell the goods, yet is still locked into the price. If DB sells above the SSV, it must share its profits with DW. But if it sells lower, DB has to eat the losses on its own, as they are not shared. Hence DB's refusal to buy. Like any purchaser with options, they will not buy lower-priced goods if they have not moved higher-priced stock - otherwise they take a hit on their current stocks. In short, Even-Zohar says that reducing prices will not solve the problem; rather, producers must reduce sales for the next two quarters. This should lead to normalization of pricing levels, but the knock-on effect for price recovery and financing is anyone's guess.

How we got here

DB's H2 rough sales are at a 30-year low. The differential between the year's first and second half sales have not fallen so sharply in 40 years. This has not been caused by an external demand shock, writes Zohar, but by mismanagement of supply. According to Morgan Stanley Research, between 2009-14, "up to 120% of the value of rough diamonds was financed with debt rather than the normal 70%." The excess finance was invested in equity markets and real estate rather than diamond endeavors. All the excess financing allowed miners to sell more rough at higher prices, while failing to see that end-user demand was not keeping pace. Meanwhile, rough prices rose 76% while polished rose only 12%, with cutting and polishing margins falling from 15% pre-financial crisis to 0-5% now. Even-Zohar claims this is not cyclical - it was a result of companies flush with financing and greed.

Where we go now

Even-Zohar believes, along with the banks, that the best way forward is to "starve" the pipeline of new rough. While grinding trade to a halt, this will allow for debt reduction, lowering short-term supply excess, stabilized prices and a healthier midstream. But how will financiers fare in the meantime? Estimates are that approximately 40% of industry credit (\$6 bn) could be non-performing, particularly in India. A 40% default would have "nightmarish implications", writes Zohar, and the banks are in a bind. Failing to provide liquidity to the market could damage banks' reputations. However, should they reduce funding and exposure, their clients' liquidity and creditworthiness also declines. The result is a potential vicious circle in which liquidity becomes scarce and new lenders get scared off - only further reducing the ability for clients to purchase rough. One way or another, Even-Zohar "foresees a consolidation" midstream, as well as defaults ... and we haven't even touched on the consequences for Botswana.

Exploration spending expected to fall

Natural Resources Canada projects decline of 9 per cent

Northern News Services - November 16, 2015

Karen K. Ho

NORTHWEST TERRITORIES

Forecasts from Natural Resources Canada show exploration and deposit appraisal spending is projected to decline nine per cent in the territory.

By comparison, Nunavut is projected to have an increase of 28 per cent.

The semi-annual report shows the amount of exploration and deposit appraisal expenditures in the territory is projected to be \$93 million down from \$101.7 million in 2014, a difference of \$8.7 million or nine per cent.

Up \$73.6 million

According to the latest report, the significant majority of spending in the NWT this year is expected to be for diamonds, estimated to be \$76.7 million or 82.5 per cent. This is up from \$73.6 million last year.

Junior companies in the NWT are projected to dominate exploration spending at \$52.7 million which is 57 per cent of the 2015 total.

In the NWT, \$52 million or 56 per cent of the spending is projected to be on grassroots exploration, the remainder on deposit appraisal.

According to the NWT and Nunavut Chamber of Mines, as a share of projected Canadian investment, Nunavut remains in fifth place and the NWT rises to seventh place from last year.

National Resources Canada projects that total Canadian exploration and deposit appraisal expenditures for 2015 will be \$1.9 billion, a decrease of seven per cent from \$2 billion recorded last year.

Cancelled exploration

Many companies, such as Avalon Rare Earths, have chosen to suspend or cancel exploration projects in the territory this year.

In a news release issued Nov. 3, the company said a preliminary economic assessment was scheduled for completion before the end of the month.

Even before these new estimates were released, Mining Association of Canada president Pierre Gratton said the territory was at risk of deterring exploration when a draft of the government's conservation plan was released. The draft proposed 40 per cent of the territory's land be designated for conservation.

Mining proponent cautions against negative signalling

"Let's make sure you don't send the wrong signal to the exploration community so that they will look ... and see uncertainty," Gratton said during a NWT and Nunavut Chamber of Mines luncheon at the Explorer Hotel in September. "And think, hmm, I think I'm going to go to the Yukon or I think I'm going to go to Nunavut or Zambia or Australia because I'm not sure what's going on."

He said the territory currently "appears to be a bit complacent."

"The NWT has to think about what's next," Gratton said. "There's not a lot more in the pipeline."

The president said all of the diamond mines in the territory were discovered before 1998 and he said that last year, exploration spending fell to \$96 million (approximately half of the amount registered in 2007), much less than Nunavut and Yukon.

"That's what makes the proposed all-season road to the diamond region so important," Gratton said.