

## **NEWS RELEASE**

## Tlicho All-Season Road construction will benefit minerals industry, says Chamber

(Yellowknife, NT – February 14, 2019) The awarding of the contract to construct the Tlicho All-Season Road (Tlicho Road), <u>announced</u> by the Government of the Northwest Territories (GNWT) yesterday, is a significant step in advancing the Territory's transportation infrastructure and will benefit the minerals industry.

The Tlicho Road will be a new 97-kilometre long, two-lane gravel highway to provide year-round access to the community of Whati from Highway 3 south of Behchoko. Construction of the road is expected to begin later this year and be completed in early 2022.

Under the agreement, the North Star Infrastructure GP (North Star) consortium will finance, design, build, operate and maintain the Tlicho Road under a Private-Public Partnership (P3) structure with the GNWT for a total contract value of \$411.8 million over a 28-year period. Infrastructure Canada is providing 25% of the \$213.8 million construction cost. North Star is a consortium consisting of Kiewit Canada Development Corp. and the Tlicho Government, together with Design-Build partners Peter Kiewit Sons ULC, Hatch Corporation, and Thurber Engineering Ltd. The Tlicho Government has invested approximately \$16 million to purchase a 20% equity interest in North Star.

"This new road, which includes Indigenous participation from the Tlicho Government, is great news for our industry and a positive step forward in addressing the infrastructure deficit in the Northwest Territories", commented Gary Vivian, President of the NWT & Nunavut Chamber of Mines. "It's very encouraging to see the Tlicho Road driving forward and is the kind of development we applaud and hope to see more of", he said. "Improved year-round road access will open up vast areas of prospective geology to lower cost exploration and it will improve the economic viability of the NICO and Indin Lake projects. A strong minerals industry is essential to sustain the economy of the NWT and bring jobs and business benefits to the North", he added.

All-season road access is a key factor for Fortune Minerals Limited to enable development of its NICO cobalt-goldbismuth-copper property located 50 kilometres north of Whati. Fortune has already received environment assessment approval for an open pit mine and concentrator at NICO as well as a spur road from Whati to the mine site. The spur road is a private sector incremental extension of the Tlicho Road that will also improve access into areas with known deposits and mineral potential.

The Tlicho Road will result in improved winter road access for Nighthawk Gold, which is focused on advancing a large land package in the Indin Lake Belt west of Wekweeti. The project includes the former Colomac gold mine that ceased production in 1997 and a number of satellite deposits.

North Star includes Indigenous participation with the Tlicho Government equity interest, and construction is also required to procure a portion of project resources and labour from First Nations and local Northwest Territories businesses.

The NWT is comprised of 13% of the Canadian landmass and is underlain by prospective geology with significant mineral endowment, but is also constrained by one of the largest infrastructure deficits. Government applications have been made for additional federal funding for highway and hydropower projects to help advance the NWT's economy, and to provide access to lower cost, green power needed to support development.

For more information on the NWT and Nunavut mining industries, please visit the Chamber of Mines website at <u>www.miningnorth.com</u> or <u>www.miningnorthworks.com</u> or contact Tom Hoefer, Executive Director at Tel: 867-873-5281 or email: <u>executivedirector@miningnorth.com</u>.