

# Northern Mining News

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## From the Executive Director ...

Great to see mining up in both territories. But latest stats also show exploration flat in NWT and hurting in Nunavut, again. The latest Fraser mining survey hints at why – land access is the problem, and we will double our efforts to seek Aboriginal and public governments' help. Read our Nunavut VP Alex Buchan's excellent Nunavut overview, and read too our President's guest editorial on NWT royalties and milking cows.

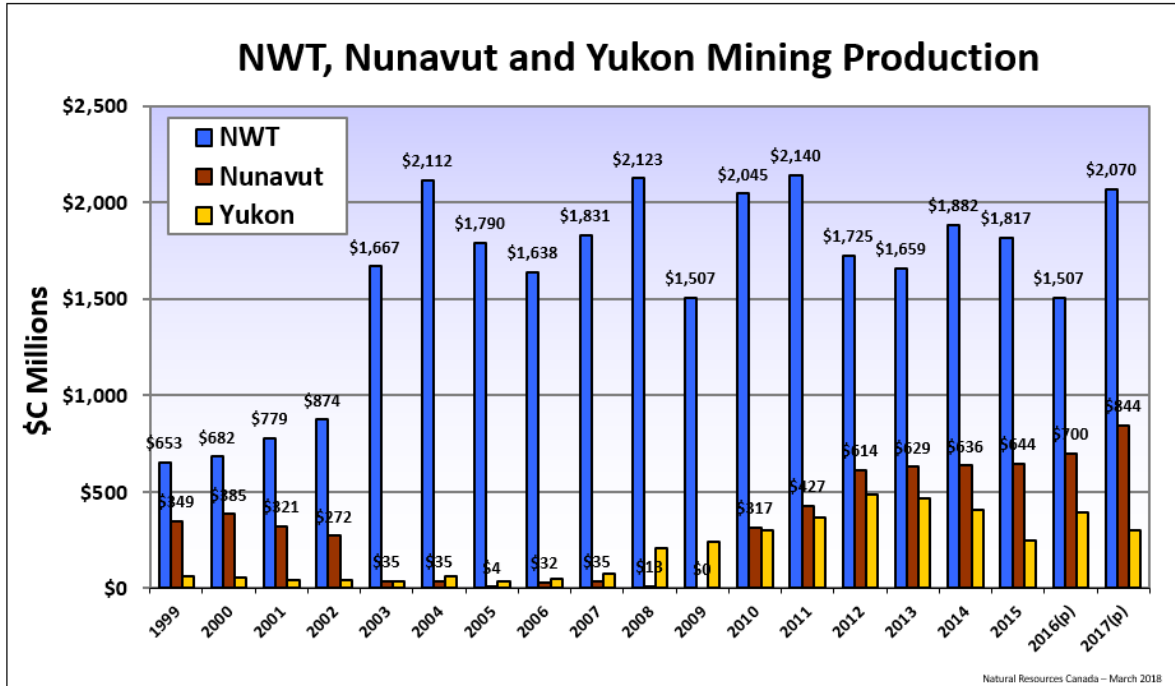
Several good news stories on advancing projects: Peregrine reporting a big jump in its Chidliak resource, North Arrow diamond numbers, Osisko drill plans for Pine Point, Kennady drill program, Sabina plans for Back River.

Happy reading! ... Editor

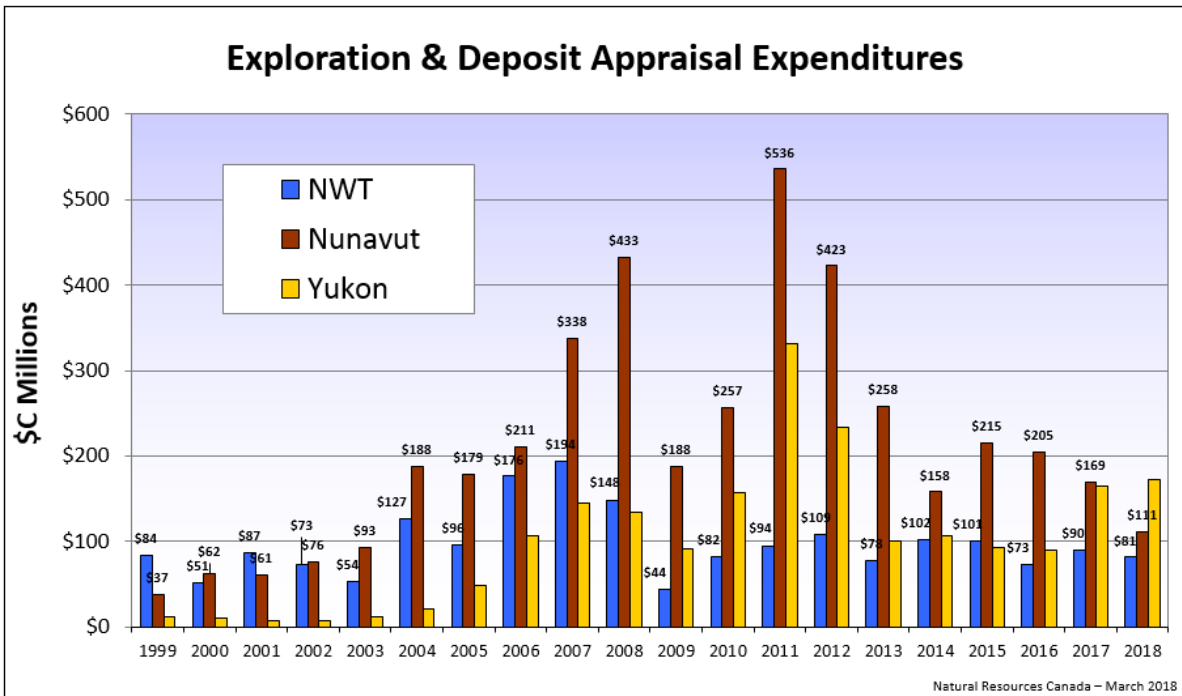
***Our Mission:*** To provide leadership on, and advocate for, responsible and sustainable mineral exploration and development in the NWT and Nunavut.

**NWT and Nunavut Mining Up, but Exploration not what it should be**

At press time, we had just received the latest Natural Resources Canada statistics and we will soon post more detail on the [Chamber website](#). Details are below.



*NWT and Nunavut mining production values are up significantly, particularly with NWT diamonds.*



*Unfortunately, exploration is flat in NWT and continues to fall significantly in Nunavut.*

## Benefits growing with Nunavut's new mining industry

As Nunavut's mining industry grows, its mines are adding new significant employment and business benefits for the territory, its communities, and economy.

Alex Buchan, Nunavut Vice President of the NWT & Nunavut Chamber of Mines presented an overview of Nunavut's mining sector at the biannual Northern Lights conference in Ottawa on February 2. For the territorial economy, Nunavut mining's direct contributions are very large, and in 2016 mining formed about 20% of our economy, he said. Mining's contribution is even larger when you consider benefits to sectors like construction and transportation. This is a welcome turnaround from 2009, when Nunavut had no mining industry, added Buchan.



*Nunavut mines are generating over 20 per cent of the territory's economy and creating jobs and business benefits. But there is room to do even more, particularly with jobs, says Chamber of Mines Nunavut VP Alex Buchan.*

Three mines now operate in Nunavut, one in each region: Agnico Eagle's Meadowbank gold mine in Kivalliq, Baffinland's Mary River iron mine in Qikiqtani, and TMAC's Hope Bay gold mine in Kitikmeot, where Buchan is the Director of Community Relations.

Buchan shared new socio-economic data compiled by the Chamber of Mines, including:

- Since 2009, the mines have provided 2,365 person years of mining employment in Nunavut;
- in 2016, there were 1,946 jobs of which 388 (20%) were Nunavut residents.
- Total mine spending since 2007 exceeds \$4.8 billion of which \$2.2 billion was in Nunavut. In 2016, mine spending was \$582 million of which \$252 million (43%) was in Nunavut.

Additionally, industry royalty and benefit agreement payments are another way in which Nunavummiut are benefitting from mining. Advancing opportunities at Meliadine, Back River, Amaruq, and Chidliak have potential to generate even more employment and business benefits and tax and royalty revenues to government and Inuit organizations.

In terms of challenges, Buchan underlined the need to address falling exploration investment, which industry members link to a troublesome land use planning process, and for much needed investments in infrastructure to help lower costs. He also emphasized that by improving training and education and growing the public's awareness of mining opportunities will also be key to increasing Nunavut benefits.

Buchan closed by saying the Chamber of Mines will continue to work with the public governments of Nunavut and Canada, as well as with Nunavut's Inuit government, Nunavut Tunngavik Inc., to address these challenges and further grow the mineral industry's benefits in Nunavut. For the full presentation, with speaking notes, click [here](#). For Alex Buchan's related chamber editorial click [Welcome back NU mining industry!](#)

## **APPLY NOW! GNWT exploration incentive program accepting applications**

The Government of Northwest Territories' (GNWT) popular Mining Incentive Program is now accepting applications for 2018-19. **The deadline to apply is April 27, 2018.**

Through the program, \$1 million is available in funding for prospectors and mineral exploration companies active in the NWT. Prospectors can apply for up to \$25,000 in funding and mineral exploration companies can apply for up to \$200,000 in funding (up to 50% of eligible expenses). Applicants must be licensed to operate in the NWT.

In the first three years of investment alone, an additional \$4.15 million was leveraged in exploration spending by companies and prospectors on their supported projects.

That figure jumps to \$5.14 million when including projects that continue to leverage exploration spending after their awarded funding has been spent.

The program, an initiative of the NWT Mineral Development Strategy, has been consistently oversubscribed since its creation in 2014.

[View release](#) and for forms click [here](#).



## **Minister extends Prairie Creek all-season road EA by two months**

The Minister of Crown Indigenous Relations and Northern Affairs Canada, has invoked a two-month extension to the timeline for the Minister's decision on the Report of Environmental Assessment for the Prairie Creek All-Season Road, Canadian Zinc Corporation reports.

The report was originally due by February 12, 2018.

"Extending the time limit by two months will allow the federal and territorial governments to complete aboriginal consultations...including around section 35 [Constitution] duties to consult," said the Minister in her letter to the Mackenzie Valley Environmental Impact Review Board.

The Minister "remains hopeful that the full two-month extension will not be required, however, my colleagues and I wanted to give you and all interested parties sufficient warning that we likely will not be able to complete all the required Crown consultation and all related analysis within the five-month decision timeline window."

[View release](#)

**Annual Fraser Institute survey of mining companies released**

In the 2017 Fraser Institute mining company survey, the NWT and Nunavut numbers were largely unchanged from the previous year. The survey is an attempt to assess how mineral endowments and public policy factors such as taxation and regulatory uncertainty affect exploration investment. Survey responses have been tallied to rank provinces, states, and countries according to the extent that public policy factors encourage or discourage mining investment.

**NWT overview**

NWT measured by	2017	2016
Investment attractiveness in Canada	8 out of 12	7 out of 12
Investment attractiveness globally	21 out of 91	21 out of 104
Policy perception in Canada	11 out of 12	11 out of 12
Policy perception globally	42 out of 91	48 out of 104
Best practices mineral index in Canada	6 out of 12	4 out of 12
Best practices mineral index globally	19 out of 91	11 out of 104

No comments were included in the NWT overview.

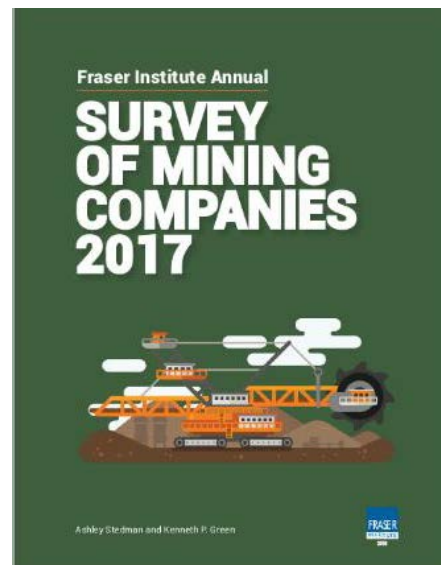
**Nunavut overview**

Nunavut measured by	2017	2016
Investment attractiveness in Canada	9 out of 12	9 out of 12
Investment attractiveness globally	26 out of 91	31 out of 94
Policy perception in Canada	12 out of 12	12 out of 12
Policy perception globally	44 out of 91	58 out of 104
Best practices mineral index in Canada	8 out of 12	6 out of 12
Best practices mineral index globally	25 out of 91	19 out of 104

**Industry quote on Nunavut:**

*Land use permits are being granted and then put on hold due to changing mandates on land use and access related to the Draft Nunavut Land Use Plan. This plan has become very political within Nunavut. There is a significant disconnect between regional organizations and the various levels of government – exploration company vice-president*

For the executive summary click [here](#); for the full survey [here](#)





## **Chamber editorial: You can only milk a mine so much**

[Guest Editorial News/North, by Gary Vivian, President, NWT & Nunavut Chamber of Mines](#)

As any good farmer knows, a cow produces only so much milk a day. And it requires good feed and attention to ensure it produces that milk. Mistreat it, milk it too hard, and milk supply falters. Similarly, you can only milk the mining industry for so much, immaterial of what the political critics say. Let me dig a little deeper on the subject.

First, why do we have a mining industry here? It's because government does not have the capability, or the risk tolerance to explore, find, and then generate jobs, business, and tax revenues from rocks. It's not a cheap or easy business. Only 1 in 1,000 projects becomes a mine, and if you find one, constructing it can cost hundreds of millions to billions of dollars. Even if built, market prices or geotechnical issues outside of your control can change and destroy your mining business. That is why government invites industry – like an expert contractor – to do what it cannot do, squeeze benefits from rock. And as our mines turn rock into value, governments collect a pile of taxes (corporate, income, payroll, property, fuel, etc.) on their work. It collects these taxes even if a mine isn't profitable. And when it is, government levies another tax on the profits, called royalties. The more profitable the mine, the higher the royalties, and vice versa. What does this all look like?

A revealing study was done by the late northern economist Roy Ellis in his report: *The Diavik Diamonds Project: The Distribution of the Project Resource Income* (on our website). Taking all taxes into account, governments were projected to receive 38% of the value of the diamonds that Diavik produced. Operating costs would chew up another 24%, capital cost recovery 22% and the remaining 16% would be company profits.

Mining is a no lose situation from government's perspective as they collect many taxes on a mine's exploration, construction, operations and capital cost expenditures, whether or not the mine is profitable. (Even when a mine builds new infrastructure to help their profitability, government increases its property taxes, despite the mine having to remove it at closure.) Governments then, not industry, are the major beneficiary of resource development.

The GNWT's consultant was correct when he reported that: "The high cost of building winter roads every year to existing mines shrinks royalty and corporate income tax payments." So do many other costs. We northerners understand this – high costs lower what we have left over from our paycheque. Mines are no different and likely worse off, because they are price takers and cannot pass increased costs onto their customers. High northern costs leaves them less profitable, and that reduces royalties to all governments. So when governments force new costs onto industry, like a new Yellowknife airport tax, it reduces profitability and thus royalties, even to Indigenous governments. So, there are some lessons here: help mines be more profitable with infrastructure and less tax burden, and royalties will go up; and open more mines and all taxes will increase.

It's very simplistic and irresponsible to shoot from the hip and call for more royalties as it just puts our industry under risk. As I've said before, you can only milk a cow so hard before she falters. Winston Churchill summed it up best when he said: "for a nation to try to tax itself into prosperity is like a man standing in a bucket and trying to lift himself up by the handle."

## North Arrow recovers 64.25 carats from 209.8 tonnes at Naujaat

North Arrow Minerals Inc. has [reported](#) final diamond recoveries from a 209.8 tonne mini-bulk sample collected in July 2017 from the diamondiferous Q1-4 kimberlite at the Naujaat Diamond Project, Nunavut. Highlights of this announcement include:

- A total of 1,991 diamonds greater than +1 DTC (~1 mm) weighing 64.25 carats were recovered from 209.84 dry tonnes of kimberlite for an overall sample grade of 30.6 cph (carats per hundred tonnes).
- The three largest recovered diamonds are 5.25, 2.09 and 1.06 carats.
- Yellow diamonds, representing a range of hues and tones, represent approximately 10.7% (by stone count) of the recovered diamonds (21.2% by carat weight).
- Diamonds recovered from a subsample of the A88 phase ('Blue' kimberlite) include a similar proportion of yellow diamonds as seen in 2014 sampling of the A28 phase.
- The 'Green' kimberlite unit, also processed as a separate subsample, is interpreted as a previously unrecognized and volumetrically minor unit in the Q1-4 kimberlite and contains proportionately fewer coloured diamonds than the A88 and A28 phases.

"Diamond results from the 2017 mini-bulk sample have confirmed the presence of an important yellow diamond population in the A88 phase of the Q1-4 kimberlite. Further, the identification of the Green kimberlite as a new, previously unrecognized phase within Q1-4 underscores the under-evaluated nature of this diamond deposit. Q1-4 requires further evaluation, in particular the collection of a larger bulk sample of sufficient size to better determine the spatial and size distributions of Q1-4's diamond population including potentially higher value coloured diamonds," said Ken Armstrong, President and CEO of North Arrow.

Sample	Weight (Dry tonnes)	# Diamonds (+1 DTC)	Carats(cph <sup>2</sup> )	Sample grade	Yellow Diamonds <sup>1</sup>	
					By Stones	By Carats
C1	27.06	344	8.46	31.2	2.6%	3.1%
C2	51.73	467	12.99	25.1	9.9%	9.9%
C3	131.04	1,180	42.80	32.6	11.6%	28.2%
C1+C2+C3 <sup>(3)</sup>	209.84	1,991	64.25	30.6	10.7%	21.2%
A282014 <sup>(4)</sup>	1,353.3	11,083	384.28	28.4	9.0%	21.5%

<sup>1</sup> includes very pale to pale to intense/dark yellow + green yellow diamonds; same colour breakdown as undertaken for sample A282014.

<sup>2</sup> carats per hundred tonnes

<sup>3</sup> total 2017 Pit C sample determined by arithmetic

<sup>4</sup> As reported in North Arrow news release dated May 5, 2015.

## Osisko Metals to drill at Pine Point, outlines exploration and development

Osisko Metals Incorporated is pleased to announce that a 50,000-metre drill program has started at Pine Point, which the company will fund from its cash balance.

"The Pine Point transaction has closed, and it represents an important step for Osisko Metals as we initiate rapid development plans in one of Canada's once most profitable former producing

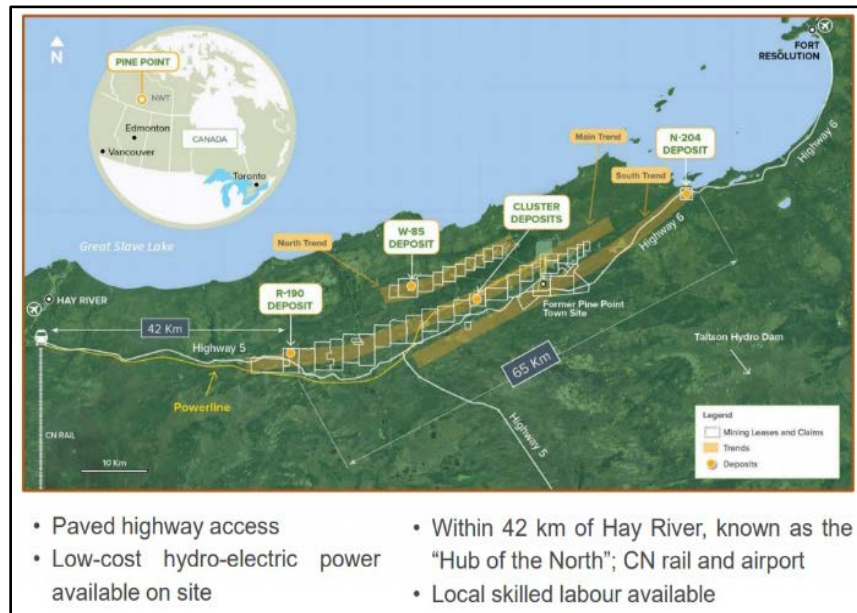
zinc mining camps. We are planning an aggressive exploration program to confirm, upgrade and expand the portfolio of over 40 historical deposits. Shallow mineralization will allow us to rapidly convert the historical resources into NI43-101 compliant Mineral Resource Estimates and incorporate them into economic studies,” said Jeff Hussey, President and CEO.

“Drilling has commenced at Pine Point with detailed planning of an estimated 50,000 metre program in 2018 that is focused on the above-stated objectives. The ongoing 50,000 metre drill program in the Bathurst Mining Camp will continue concurrently and the combined programs are expected to total 100,000 metres of drilling in two premiere zinc mining camps. Our national drilling campaign is one of the largest base metal exploration programs in our junior mining peer group,” he added.

In early February, three drill rigs were mobilized to the Pine Point project and began drilling high priority targets that have poor summer access. The winter drilling will continue over approximately the next five weeks before temporarily stopping for spring break-up. Drilling is expected to resume by May 2018.

The exploration program at Pine Point will also include an airborne geophysical survey planned for Q2/18 including detailed gravity

gradiometry and total field magnetics. The favourable carbonate horizon is approximately 200 to 300 metres thick where the majority of the historic drilling targeted zinc-lead mineralization in the upper third of this favorable stratigraphy. Mineralization at Pine Point was characteristically unresponsive to historical geophysical surveys limiting previous exploration programs. View [release here](#) and Osisko’s Pine Point Mining acquisition presentation [here](#)



The Pine Point site includes excellent infrastructure: Source: Osisko

## De Beers Canada launches UN women 2018 scholarships for STEM students

De Beers Canada has [announced](#) the first four scholarships in support of De Beers’ UN Women partnership commitment are now available to female students applying for first-year full-time studies in eligible Science, Technology, Engineering and Mathematics (STEM) programs at the University of Waterloo, also a UN Women HeForShe IMPACT 10x10x10 champion.

Through 2020, De Beers has committed to providing a total of US\$504,000 (~CDN\$639,000) in STEM scholarships across Canada for female students, including 16 scholarships at the University of Waterloo.



These four inaugural one-year scholarships will be for the September 2018 student intake, with additional support available in future years for incoming students. Unique to the program is a commitment to identify female Indigenous candidates from the Northwest Territories and northern Ontario in areas where De Beers Canada has mining operations.

De Beers Canada Chief Executive Officer Kim Truter said the launch of this scholarship program is a significant step in enhancing female participation in the mining and technical industries. “Females are under-represented in many technical industries, including mining, so we must do more to create opportunities at all stages of education and employment to remove barriers and be more inclusive,” said Truter.

Female students currently applying to Earth Sciences, Environmental Science, Chemical Engineering, Geological Engineering, Environmental Engineering, Electrical Engineering, and Mechanical Engineering at the University of Waterloo may be considered for the De Beers scholarships for the September 2018 intake.

In addition, De Beers will also be providing a total of USD\$60,000 (~CDN\$76,000) in funding over the next three years to sponsor ten Grade 7 & 8 girls from Indigenous communities each year to attend the University of Waterloo summer IMPACT Camps.



*In support of UN Women partnership, De Beers Canada has announced four new STEM scholarships.*

## **Peregrine reports Chidliak’s CH-6 resource up 58%**

### ***Chidliak’s combined CH-6 and CH-7 inferred resource now exceeds 22 million carats***

Peregrine Diamonds Ltd. is pleased to report that the company’s successful 2017 Resource Development Program has resulted in a substantial increase in the Inferred Mineral Resource at the high-grade CH-6 kimberlite pipe at Peregrine’s 100%-owned Chidliak Diamond Project, Nunavut, Canada. Drilling in 2017 delineated the high-grade CH-6 kimberlite pipe to a depth of 540 metres below surface (“mbs”) and the kimberlite remains open below that depth. Key results include:

- CH-6 updated Inferred Mineral Resource of 17.96 million carats in 7.46 million tonnes to 525 mbs;

- Inferred Mineral Resource tonnage increased by 61% from 4.64 million to 7.46 million tonnes;
- CH-6 contained carats increased by 58% from 11.39 million to 17.96 million carats;
- High-grade KIM-L domain with a grade of 4.49 carats per tonne (“cpt”) comprises 17% by volume of the updated CH-6 resource; and
- Total Phase One Diamond Development resource now exceeds 22 million carats.

Additional tonnage, considered a Target for Further Exploration of 1.09 to 2.35 million tonnes, has also been identified for a portion of the CH-6 kimberlite pipe at depths between 300 and 590 mbs. The CH-6 kimberlite pipe remains open for expansion to depth.

### ***Inferred mineral resource estimate for the CH-6 kimberlite***

- 7.46 million tonnes
- 2.41 carats per tonne
- 17.96 million carats
- 61% tonnage Increase
- 58% carat Increase

[View release](#)

### **Kennady’s winter exploration program begins**

Kennady Diamonds Inc. is pleased to announce that its winter 2018 exploration program is underway. Roughly 10,500 meters of diamond drilling is planned, with 60% of the drilling assigned to testing high-priority grassroots exploration targets and 40% to delineation and geotechnical drilling on the Faraday kimberlites. The program is planned to run at least until mid-May, longer should ice conditions allow for safe drilling.

“We are looking forward to resume our exploration and evaluation work on the Kennady North Project. What is particularly exciting is that most of the budgeted drilling is directed at high priority exploration targets that we have waited to test for a number of years as evaluation work on the Kelvin and Faraday kimberlites took priority.” He went on to say, “The delineation drilling program is designed to prepare for the next phase of bulk sampling that will extend the Faraday 2 resource along strike to the northwest, as well as upgrade the northeast limb of the Faraday 1-3 complex from a Target for Further Exploration (TFFE) to an Inferred Resource,” said President and CEO of Kennady Diamonds, Dr. Rory Moore.

Field crews were mobilized to open Kelvin Camp on January 29, 2018 and initiate construction of the ice infrastructure. The ice infrastructure includes an ice airstrip, a spur road linking Kelvin Camp to the Gahcho Kué spur road, and an ice road to the Faraday kimberlites. Drill crews are scheduled to mobilize into Kelvin Camp today and it is anticipated that the first of two core drills will commence drilling within the next week, with the second following shortly thereafter.

Objectives of the winter 2018 program are summarized as follows:

- Grassroots exploration drilling to discover new kimberlites will be focused within the Kelvin-Faraday Corridor. New targets, immediately southwest of the Gahcho Kué Mine, will be tested subsequently if time permits.

- Infill drilling between the two limbs of Faraday 1-3 to add high-grade hypabyssal kimberlite to resource potential.
- Exploration drilling on Faraday 2 to further advance the NW extension discovered in summer 2017.
- Delineation drilling on the northwest extension of Faraday 2 to advance this portion of the pipe shell model to an inferred level of confidence.
- Geotechnical drilling to advance the Faraday kimberlites from a scoping-level to a pre-feasibility level of confidence.

Work will also resume on an environmental baseline study that was initiated in 2017, as well as a new program to evaluate the geochemical behavior of the kimberlites and associated country rock that might be expected in a mining scenario.

Kennady has closed the first tranche of the private placement of common shares announced in connection with the transaction with Mountain Province Diamonds Inc. The company has issued 1,000,000 common shares at a price of \$2.50 per share for proceeds of \$2,500,000. The shares are subject to a four month hold period, expiring June 3, 2018.

Proceeds of the offering will be used to fund the company's 2018 winter exploration program on the Kennady North Project and for general corporate purposes. [View release](#)

### **Agnico Eagle results include record annual gold output; reserves increase**

Agnico Eagle Mines Limited has [released](#) its fourth quarter and full year 2017 results. Highlights include:

- Gold production and costs better than forecast for sixth consecutive year
- Gold production forecasts increased for 2018 and 2019 as Meliadine start up advanced and Meadowbank extended into 2019
- Transitioning to lower unit costs by 2020 as production ramps up
- Gold Reserves continue to grow as average grade increases, and
- A quarterly dividend of \$0.11 per share has been declared

### ***Nunavut Region***

Good news at Meadowbank, with production extended into 2019, which bridges the gap between the cessation of mining activities at Meadowbank and the expected start of operations at Amaruq in the third quarter of 2019. The additional production comes from an extension of the mine plan at the Vault and Phaser pits in 2018 and the Portage pit in 2018 and 2019. In addition, production will be supplemented from stockpiles in 2018 and 2019.

The Amaruq satellite deposit, 64 km by road from the Meadowbank mine, was approved for development in February 2017, pending the receipt of the required permits that are currently expected to be received late in the second quarter of 2018. In late 2017, the company completed an internal technical study on the Amaruq deposit. The results of this study are being incorporated into a new National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101") technical report for the Meadowbank Complex, which is expected to be filed in March 2018.





***Amaruq camp (Credit: Agnico Eagle Mines)***

Good news too at the Meliadine project, which was approved for development in February 2017. Given the progress of construction and development activities in 2017, and the acceleration of capital spending from 2019 into 2018, the mine is now expected to begin production in the second quarter of 2019, which is approximately one quarter ahead of previous forecasts. The production forecast has the potential to further increase in 2019 depending on the progress of development at the Meliadine project.



***Meliadine camp (Credits: Agnico Eagle Mines)***

## **TMAC reports Q4 operating and financial results and year end 2017**

TMAC Resources Inc. [announced](#) financials for the year ended December 31, 2017.

Jason Neal, President and Chief Executive Officer of TMAC, stated, “While progress is being made, as discussed in our January 16, 2018 news release, TMAC had a challenging fourth quarter, capping a difficult 2017. Though the mine has been performing well, the processing plant has had material ramp up issues and a number of important initiatives are underway to drive improvements. As a result, financial results for Q4 were weak, but performance is expected to improve as 2018 continues assuming our expectations are met from ongoing investment and attention on processing improvements.”

Some highlights include:

- 46,990 ounces of gold were sold during the year ended December 31, 2017 for proceeds of \$76.9 million (US\$59.7 million). 17,350 ounces of gold were sold in the three months ended December 31, 2017 for proceeds of \$28.2 million (US\$22.1 million).
- Realized an average price for gold sold of \$1,636 (US\$1,270) per ounce during the year ended December 31, 2017.
- Cash costs and All-in Sustaining Costs per ounce of gold sold were \$1,658 (US\$1,288) and \$2,418 (US\$1,870), respectively, during the year ended December 31, 2017.
- Achieved commercial production effective June 1, 2017.
- Mined 53,500 tonnes of ore at a grade of 9.4 grams per tonne (“g/t”), containing 16,200 ounces of gold in the fourth quarter of 2017, resulting in a total of 150,700 tonnes of ore mined at a grade of 11.5 g/t, containing 55,700 ounces of gold for the year.
- Processed 69,600 tonnes of ore at a grade of 13.7 g/t, containing 30,700 ounces of gold in the fourth quarter of 2017, with 21,200 ounces of gold being produced at an average recovery of 69%. After the installation of the dewatering cone in early November 2017, the recovery for November and December improved to an average of 74%, while the average for the ten months prior to its installation was only 62%.
- 55,150 ounces of gold were produced in 2017, of which approximately 5,820 ounces remain as gold in process at December 31, 2017.

2018 Objectives include:

- Ore production will mainly come from the fully developed Doris North zone and the developed stopes in the Doris BTD zone. Ore production will be supplemented with ore from sill development in the Doris Connector and other areas of the Doris BTD zone.
- Mine between 420,000 and 470,000 tonnes of ore at an average for the year between 11 and 14 g/t gold with total tonnes, including waste, being between 670,000 to 740,000 tonnes. Mining grades in 2018 to date are averaging about 9.9 g/t but since the beginning of February have averaged 15.1 g/t as mining has transitioned from lower grade development areas to higher grade zones.
- Continue the ramp up of the Plant to design capacity. Install, commission and commence ramp up of the second Concentrator Line (CL) by mid-2018 that will increase the throughput of the Plant. Improvements made to the first CL will be incorporated into the second CL as part of the installation and commissioning thereof.



- Obtain a project certificate for Madrid and Boston once NIRB completes the review of the environmental impact statement submitted in December 2017. NIRB recommends project certificates for approval by the Minister of Crown-Indigenous Relations Northern Affairs (“CIRNA”), formerly Indigenous and Northern Affairs Canada (INAC).

Read the full release [here](#).

### **Sabina announces \$83m for exploration and infrastructure for Back River**

Sabina Gold & Silver Corp [announced](#) budget plans and activities for 2018. The planned budget enables the company to continue its two-pronged approach in advancing towards production and continuing high-value exploration. All project development programs are focused on de-risking, de-stressing and expediting the time line towards first gold production. The activities for project development and exploration will be funded out of the company’s existing treasury of approximately \$94.5million (Jan 19, 2018).

The 2018 budget delivers:

- Completion of the permitting process and receipt of both Type A and B water licenses;
- Completion of detailed engineering required for 2019 and development of the project execution plan;
- Commencement of pre-development infrastructure activities, earthworks, construction of the marine laydown area (“MLA”) and procurement of key infrastructure and equipment including permanent camps for both the MLA and Goose sites;
- Completion of a targeted exploration program; and
- Advancement of the project debt finance process.

“2018 will be a significant year for the company as our work programs continue to advance Back River towards production as well as continue to focus on high value exploration targets at the Goose property” said Bruce McLeod, President & CEO. “In addition, we have developed discretionary activities that are based on certain milestones achieved during the process. These expenditures will be assessed with a view to maintaining first gold in 2021 and are contingent on advancement of project funding initiatives.”

Although the Project has experienced 13 months of permitting delays, additional discretionary project development activities could enable the company to meet its first gold date of Q1, 2021. These activities are contingent on additional funding and would include site earthworks and construction preparation at the proposed mine site.

Without completion of discretionary activities, first gold could be pushed out to Q4, 2021, a 9 month delay.

### **De Beers preliminary financial results for 2017**

De Beers [announced](#) annual financials with profits up 2% to \$1,435 million (2016: \$1,406 million). This despite lower revenue following the one-off industry midstream restocking in 2016. This performance was driven by improved margins, which benefited from lower unit costs (supported by higher production and efficiency drives across the business), a strong

contribution from Canada (driven by Gahcho Kué's ramp-up and the closure of Snap Lake), and Element Six (which benefited from a recovery in oil and gas markets). This was partly offset by unfavourable exchange rates, and an increasing proportion of waste mining costs being expensed rather than capitalized, owing to an improved strip ratio at Venetia in South Africa. Total revenue declined by 4% to \$5.8 billion (2016: \$6.1 billion) – as expected, given the benefit of strong midstream restocking in the first half of 2016. The average realized rough diamond price decreased by 13% to \$162/carat (2016: \$187/carat) mainly owing to a lower value mix; this was partly offset by an 8% increase in consolidated sales volumes to 32.5 million carats (2016: 30.0 million carats). This reflected stronger demand for lower-value goods in Sight 1 of 2017, following a recovery from the initial impact of India's demonetisation program in late 2016, as well as the ramp-up of production from lower value per carat but high margin operations, including Orapa and Gahcho Kué. The lower-value mix was compensated in part by a higher average rough price index, which was 3% above that of 2016.

In Canada, production increased to 3.8 million carats (2016: 1.0 million carats) owing to the ramp-up of Gahcho Kué, which entered commercial production in March 2017. During the year, Gahcho Kué benefited from higher than expected grades, partly offset by a lower average value of production. Owing to the differences in lobe characteristics across different kimberlite pipes, the average grade and realized price will continue to vary and will be dependent on the area mined. Production at Victor increased by 21% to 0.7 million carats as a result of higher grades. Victor, which has been operating successfully since 2008, is due to close in 2019, when the open pit is expected to have been depleted. The closure of Snap Lake, which is currently on care and maintenance, is progressing, with flooding having been completed, thereby minimizing holding costs while preserving the long term viability of the orebody.

For 2018, forecast diamond production (on a 100% basis except Gahcho Kué on an attributable 51% basis) is expected to be in the range of 34-36 million carats, subject to trading conditions.

### **Markets**

Early signs are that global consumer demand for diamond jewellery registered positive growth in 2017 in US dollar terms, following a marginal increase in 2016. Sustained diamond jewellery demand growth in the US was once again the main contributor to this positive outcome. Demand for diamond jewellery by Chinese consumers grew marginally, in local currency and dollar terms. In contrast, consumer demand for diamonds softened in India and the Gulf states, both in local currency and dollar terms, while Japan's consumer demand growth was flat in local currency and lower in dollars.

### **Mountain Province Diamonds results of first diamond sale of 2018**

Mountain Province Diamonds Inc. [announced](#) the results of its recently completed first diamond sale of 2018. This sale has resulted in Mountain Province's highest result to date in total dollar terms, with total sale proceeds of US\$27.3 million for an average value per carat of US\$78, and US\$83 on a normalized basis.

The results of the first tender sale, with preceding sale results for comparative context, are summarized as follows:

- Diamonds sold at individual sale events will not directly reflect run-of-mine production from specific processing periods. The timing of the sale of some goods may be accelerated or deferred for tactical marketing purposes. Realized average value per carat is also impacted by the binary nature of the fancies and specials bidding process within each production split, conducted approximately every five weeks with the company’s joint venture partner, De Beers Canada Inc. The winning party of each fancies and specials bid then markets 100% of those diamonds.
- Normalized to adjust for goods accelerated or deferred, and to include fancies and specials acquired through bid by De Beers Canada Inc.

The diamonds offered in this first sale of 2018 were sourced from the last production split of 2017. The stronger realized values reflect the improved size distribution observed in that split as well as the quality of the fancies and specials. In addition, robust demand saw prices increase an average of approximately 7% over those of the preceding sale held in December. Note that only half of the fancies and specials from the last production split of 2017 were offered in this sale, with the remainder deferred for inclusion in the upcoming second sale of 2018.

Said Reid Mackie, the company’s Vice President Diamond Marketing, “Our January sale broke all records in terms of revenue and customer activity. More than 200 companies participated, with 140 placing bids and delivering our highest revenue figure to date. Particularly promising is that all product areas saw healthy price increases, especially the large, special stone category which achieved both record prices per carat and the highest value individual stone sold by Mountain Province to date.”

### **Nighthawk reports gold recoveries up to 98% at Colomac**

Nighthawk Gold Corp. [announced](#) results from the second generation of preliminary metallurgical test work on material from the Colomac deposit, part of the Colomac Gold Project. This second phase of testing focused on the high-grade mineralization and showed exceptional gold recoveries of up to 98.0%.

#### **Highlights:**

- Variation in rock hardness of all test samples was minimal indicating relatively homogeneous host rock;
- Head grades varied significantly between the fire assay and screened metallic assays due to the nugget effect of gold within the deposit;
- Favourable recoveries were achieved for all process options, including heap leaching, flotation, and gravity separation;
- Gold extraction by flotation ranged from 90.7% - 94.6% with maximum tested recoveries achieved at a feed size F80 of 75 microns, optimum grade-recovery performance was not examined;
- Cyanidation of ground rock increased gold recoveries significantly up to 98.0%.

**Table 1. Head Assays of Colomac Samples**

Sample	Fire Assay Screen (g Au/t)	Metallics Assay (g Au/t)
South Zone	1.16	1.32

North Zone	0.35	0.90
Deep	0.65	1.69
<b>High-Grade</b>	<b>2.83</b>	<b>7.16</b>

**Table 2. SAG Design Test Summary**

Sample	SG Solids	WSDT (kWh/t)	Sd-BWI (kWh/t)
South Zone	2.76	12.32	14.28
North Zone	2.73	13.52	14.38
Deep	2.70	14.07	14.10
High-Grade	2.67	12.69	15.18
<b>Average</b>	<b>2.71</b>	<b>13.15</b>	<b>14.48</b>

The high-grade sample had a head grade of 2.83 grams per tonne gold as determined by fire assay, was tested for gold recovery amenability, specifically by cyanide leaching, flotation, and gravity separation. Favourable recoveries were achieved for all process options. Gold recoveries by flotation ranged from 90.7% - 94.6% with maximum recoveries achieved at a feed size F80 of 75 microns, while highest recoveries of 98.0% were achieved by a combination of gravity and cyanidation.

### Seabridge Gold begins drilling Courageous Lake Project

Seabridge Gold [announced](#) drilling has commenced at its 100%-owned Courageous Lake Project, NWT. Two core rigs will execute a planned 36-hole, 7,200 meter program to test seven separate targets along a geophysical and stratigraphic break that hosts the Walsh Lake Deposit which Seabridge discovered in 2012 (see September 10, 2012 news release).

The Courageous Lake Project covers almost all of the 53 km long Mathews Lake Greenstone Belt (MLGB) which hosts Seabridge's Felsic-Ash-Tuff (FAT) deposit. A July 2012, Pre-feasibility Study estimated that the FAT Deposit contains 6.46 million ounces of proven and probable gold reserves as follows:

#### **Courageous Lake Mineral Reserves**

Reserve Category	Tonnes (000's)	Diluted Grade (g/T)	Contained Gold (000's Ounces)
Proven	12,300	2.41	960
Probable	78,800	2.17	5,500
<b>Total</b>	<b>91,100</b>	<b>2.20</b>	<b>6,460</b>

Mineral resources (inclusive of mineral reserves) for the Courageous Lake FAT deposit in that Pre-feasibility Study are as follows:

#### **Courageous Lake Mineral Resources**

Resource Category	Tonnes (000's)	Diluted Grade(g/T)	Contained Gold (000 ounces)
Measured	13,401	2.53	1,090
Indicated	93,914	2.28	6,884
Measured+Indicated	107,315	2.31	7,974
Inferred	48,963	2.18	3,432

## 500 Million reasons to support Grays Bay port and road!

The Grays Bay Road and Port will yield a wide range of significant benefits to Nunavut residents and to other Canadians, including:

- Boosting Canada’s gross domestic product (GDP) through infrastructure-induced northern resource development – just the development of MMG Canada’s Izok Corridor Project, in concert with construction of GBRP infrastructure will, over a 15-year period, raise Nunavut’s GDP by \$5.1 billion and Canada’s by \$7.6 billion
- Stimulating new mineral exploration & development activity in the resource-rich Slave Geological Province
- Supporting economies of Northwest Territories, Alberta and others with western Nunavut business relations
- Generating significant amounts of employment for northern residents in a region that currently suffers from very high levels of unemployment
- Strengthening northern sovereignty, safety, and security
- Providing access to infrastructure for federal government departments and the Canadian Armed Forces
- Connecting Nunavut to the rest of Canada and the world
- Providing Nunavut communities with access to goods and services from the Northwest Territories and beyond via a new overland route
- Improving food security and reducing cost of living in western Nunavut
- Providing cost-effective and climate change resilient transportation options for diamond mines in the Northwest Territories - potentially extending the operating lives of these economically-important projects
- Connecting Yellowknife with shorter access to tidewater and commercial shipping routes

For more on the GBRP, check click [here](#).

**500 million reasons to build the Grays Bay Road and Port.**

The proposed Grays Bay Road and Port is the game-changer Nunavut needs. It will open up the Kikmeot region and finally give us access to rich, Inuit-owned mining deposits. Economic studies project the road and port will provide over 1200 construction jobs for 6 years and over 1400 operations jobs for 11 years. Moreover, it will lead to an increase in our Gross Domestic Product of **over 500 million dollars** per year. That's right—500 million dollars. That means the creation of many jobs—not just in mining, but in virtually every other sector, across the territory.

**GRAYS BAY ROAD AND PORT** [gbrp.ca](#)

Source: Nunatsiaq News



## Exploration & development news briefs (see [website](#) for more information)

**Auryn Resources** [announced](#) it has further refined drill targets at the 2017 high-grade Aiviq discovery, details of its March 2018 planned spring drill program, and additional results from the Committee Bay 2017 summer program, all located in Nunavut.

The Aiviq discovery drill hole (12.2 meters at 4.7g/t Au) is situated along a 7 kilometer long shear zone that is shedding high-grade boulders and gold-in-tills that was discovered from Auryn's belt wide regional till survey. Four new high-resolution targets have been defined from infill tills analyzed for gold on 100 metre by 100 metre spacing and will form the basis of Auryn's follow-up drill program to expand on the Aiviq discovery.

During the 2017 till program, Auryn analyzed indicator elements for gold using portable X-Ray fluorescence technology; however, due to time constraints during the program the till samples were not assayed for gold. After 2017 program completion, these till samples were sent to ALS laboratories for ICP analysis to analyze for gold. The results were very positive as they spatially overlapped the discovery hole at Aiviq with a 500-meter long gold-in-till anomaly and defined three additional target areas totaling 3.0 kilometers of strike length (figure 1). Auryn's technical team considers the infill till data as a critical step in the advancement of our exploration process to further define the source areas of gold mineralization under till cover.

**Dunnedin Ventures Inc.** [announced](#) it has identified a cluster of new, potentially diamond-bearing kimberlite targets in the south-central portion of its 100% owned Kahuna Diamond Property, Nunavut. The company also reports that it is on schedule to begin its upcoming drill program in March 2018, which is expected to run through late winter into May. The drill program will test 10 to 15 kimberlite targets and will focus on circular geophysical pipe-like responses supported by high quality Diamond Indicator Minerals in till immediately down-ice. Dunnedin's work continues to highlight clusters of priority targets across the Kahuna Property by using unique mineral screening protocols and classification employed by C.F. Mineral Research Ltd. and Dr. Chuck Fipke. The 2018 drill program is fully funded and the company is currently working with local stakeholders and contractors to finalize operational plans.

Dunnedin's work to date has highlighted five separate priority areas with drill-ready targets. These prospective areas already host the inferred diamond resource at Kahuna-Notch, plus other diamond-bearing bedrock sources identified by historic work. The company has now identified a sixth and new area from 392 high priority sample results that are part of a suite of over 3,000 till samples collected during summer 2017. Preliminary results define a three kilometre by two kilometre area of diamond-associated mineral chemistry in till, southeast of the high-grade PST kimberlite. This new area is also characterized by a cluster of circular geophysical targets

consistent with kimberlite pipes. No historic drilling or trenching has been reported in this new area and specific targets will be drill-tested by Dunnedin as part of the upcoming program.

**Sabina Gold & Silver** [announced](#) the appointment of Mr. Leo Zhao to the company's board of directors. Mr. Zhao joins the board as Zhaojin International Mining Co.'s nominee in relation to their investment in the company. Mr. Zhao has more than 17 years of experience in global mining investment and EPC project management in China, Canada, Australia, Kazakhstan, Vietnam, Indonesia and the Middle East. He is currently the Managing Director of Zhaojin International Mining Co., Ltd, wholly owned by Zhaojin Mining Industry Co., the fourth largest gold mining company listed on Hong Kong Stock Exchange. He is also the executive director for Zhaojin-Gravitas Mining Funds which was established in Canada. Prior to joining Zhaojin, he served as a Project Manager for the China National Nonferrous Industry Foreign Engineering & Construction Company (NFC) working in various countries and was nominated as alternate director in Terramin Australia Ltd from 2010 to 2014. Mr. Zhao received his bachelor's degree in international project management from Tianjin University in 2000 and MBA diploma in Tsinghua University, China, in 2007. He holds a PMP certificate issued by PMI.

**TerraX Minerals** [reported](#) that channel sampling confirms a 100 meter wide mineralized zone at Sam Otto South on Screamer Island. Sam Otto South is up to 3.5 km south and along trend from the main Sam Otto and extends the potential strike length of that target area to over 5 km. Channel sample results confirm the extension of the Sam Otto zone 1.5 kilometers south of the currently drilled Sam Otto main zone. The widest channel sampling area is located 1.2 kilometers south of TerraX's drilling on the Sam Otto main zone and assayed 17.50 m @ 0.80 g/t Au, including 11.0 m @ 1.09 g/t Au. Importantly, this channel ended in good mineralization with 3.40 m @ 1.31 g/t Au before the outcrop was covered by overburden and vegetation. Other results included surface outcrops a further 350 meters south with channel samples of 2.7 m @ 0.97 g/t Au and 2.00 m @ 0.81 g/t Au. Both ends of the exposed outcrop ended in gram level gold assays. Together, the separate channels covered at least 100 meters width across strike, which is comparable to the width and grade of the Sam Otto Main zone. Channel assays reported today total 202 samples with gold grades ranging from nil to 4.64 g/t Au. Channel samples are considered representative of the zones that have been sampled.

TerraX also [announced](#) that it has commenced its 2018 winter drill program at its Yellowknife City Gold project, immediately adjacent to the City of Yellowknife, NWT. The initial program will total approximately 6,000 meters and incorporate up to three drill rigs to test dip and strike extensions of the Sam Otto and Crestaurum deposits. "Our

2018 winter drill programs will focus on expansion of two of our most advanced high priority gold targets with a goal of significantly expanding the size of these zones of gold mineralization.” TerraX will be drilling at the Sam Otto and Crestaurum targets,” said TerraX CEO Joe Campbell.

**Silver Range Resources** announced it has been awarded prospecting permits covering an Archean conglomerate-hosted (Pilbara style) high grade gold target in Nunavut with historical grab samples up to 142 g/t gold. Mineralization at the Tree River property is similar in age, setting and style to gold mineralization recently discovered by Novo Resources in the Pilbara district of Australia.

- Gold is hosted in a regionally extensive shallow marine conglomerate.

- The host conglomerate is dated between 2,940 and 2,700 Ma based on detrital zircons in proximal sediments, placing it in the favourable time window for the "Great Gold Deposition Event" (Q. Hennigh, 2016).
- Pods of high grade gold mineralization are present within a much larger envelope of lower grade material.
- Carbonaceous seams parallel to bedding are locally abundant.
- Pyrite is abundant, and a significant proportion is reported to be rounded and detrital in origin.

The Tree River property is located 155 kilometres southeast of the coastal community of Kugluktuk and consists of three prospecting permits covering 39,250 hectares.


### Welcome new members!

On behalf of our members, we would like to welcome the following new member to the Chamber of Mines. We encourage your support of their business.

- **Arctic UAV Inc.** is a new business based in Iqaluit, looking to market unmanned aerial vehicle usage to the resource industry through mapping and aerial surveying, and aerial imaging. Arctic UAV drones offer wide range uses for archeology, wildlife, climate change and traditional knowledge applications. The company, with technology for high-resolution imagery, offers solutions to combine high technology with traditional Inuit knowledge. Learn more at their eye-catching, musical site here: <http://arcticuav.ca/>

**Chamber of Mines' Social Media** Follow via live Twitter and Facebook links.





**NWT & NUNAVUT  
CHAMBER OF MINES**

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## Member presentations - NEW!

Many of our members regularly post corporate presentations that are rich in detail with figures and pictures. We have begun posting them on our website under Chamber News. Here are the latest.

- Agnico Eagle corporate presentation, February 2018: [Global Metals & Mining Conference](#)
- Dunnedin corporate presentation, January 2018: [Advanced Stage Diamonds in Canada](#)
- Nighthawk corporate presentation, January 2018: [Developing Canada's Next Gold Camp](#)
- North Arrow Minerals February 2018: [Canada's Most Active Diamond Explorer](#)
- Osisko Metals January 2018: [Pine Point Acquisition](#)

## Calendar of events

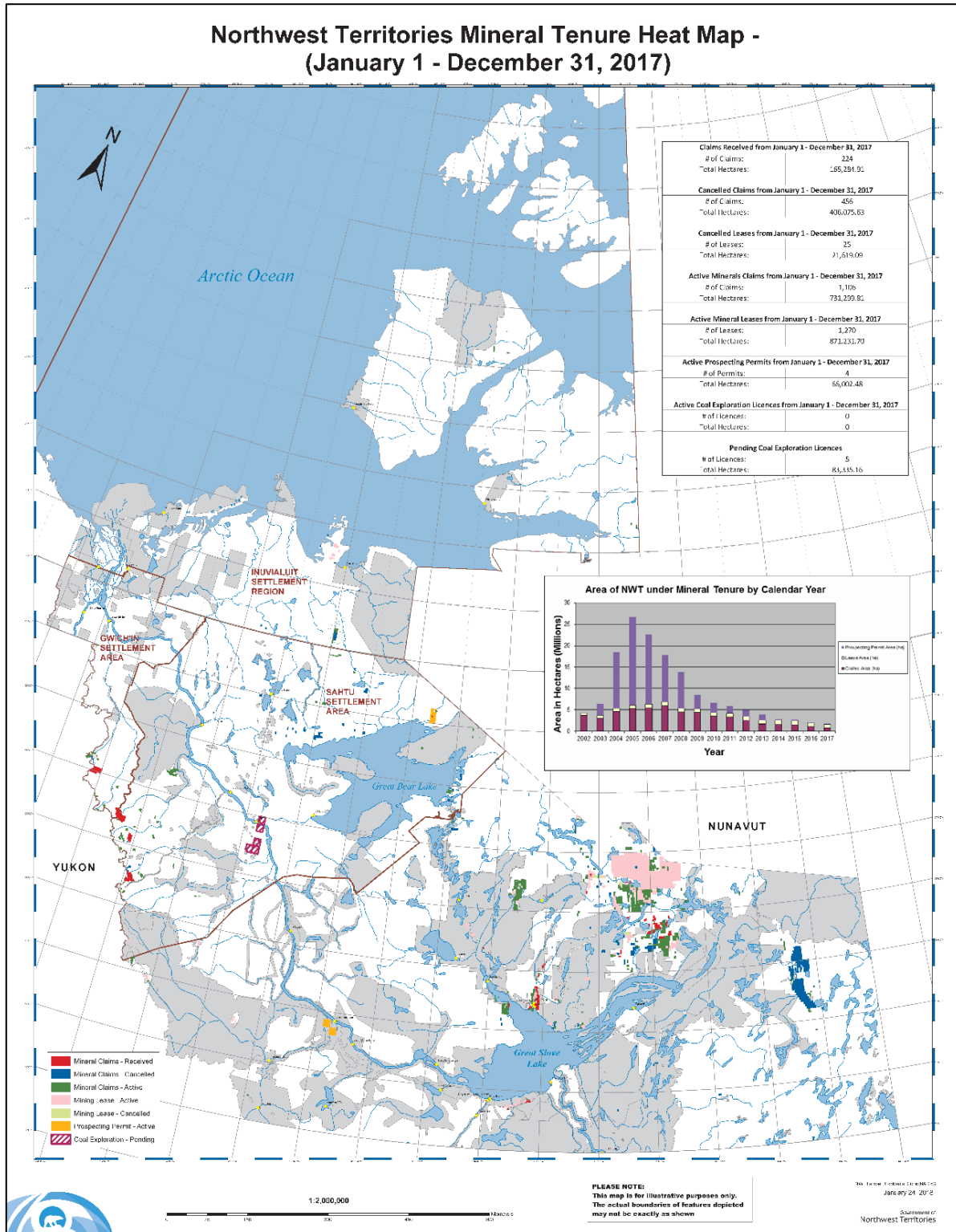
- **Nunavut Mining Symposium**, April 9-12, 2018, Iqaluit. Stay tuned for the call for speakers and sponsors. Click [here](#). #NuMS18
- **Resources for Future Generations (RFG2018)**, June 16-21, 2018, Vancouver Convention Centre. Organizers are calling for sessions and proposals at: [www.RFG2018.org](http://www.RFG2018.org). Abstracts will be sought in June 2017.
- **2<sup>nd</sup> Annual Arctic Indigenous Investment Conference 2018**, August 9&10, Yellowknife, NT. <http://yfncc.ca/aiic2018/>. This event will highlight and promote northern First Nation Aboriginal Development Corporations and Aboriginal businesses.
- **46th Annual Yellowknife Geoscience Forum**, the North's largest combined tradeshow and conference, will be held November 20-22, 2018 in Yellowknife, NT. Watch for updates on the chamber of mines website at [www.miningnorth.com](http://www.miningnorth.com) #ykgeo2018.

## Member news releases this past month

- 28 February 2018 [North Arrow recovers 64.25 carats from 209.8 tonnes at Naujaat](#)
- 26 February 2018 [Osisko announces Pine Point drilling, exploration/development](#)
- 26 February 2018 [De Beers Canada launches UN Women scholarships for STEM students](#)
- 23 February 2018 [TMAC reports fourth quarter and 2017 results](#)
- 22 February 2018 [Dunnedin reports new diamond target area at Kahuna Project](#)
- 21 February 2018 [Nighthawk reports gold recoveries up to 98% from Colomac work](#)
- 20 February 2018 [Seabridge Gold begins drilling Courageous Lake Project](#)
- 15 February 2018 [Peregrine reports 58% increase in Chidliak's CH-6 kimberlite resource](#)
- 14 February 2018 [News Release, February 14, 2018: Agnico Eagle Reports Q4 and Full Year 2017 Results – Record Annual Gold Output; Production Guidance Increased for 2018 & 2019; Reserves Increase](#)
- 13 February 2018 [Sabina announces \\$83m for exploration and to advance Back River](#)
- 13 February 2018 [Silver Range stakes Pilbara-style gold target in Nunavut](#)
- 13 February 2018 [Seabridge Gold increases estimated gold/copper resource](#)
- 13 February 2018 [Mountain Province Diamonds results of first diamond sale of 2018](#)
- 7 February 2018 [Stornoway announces Renard Mine completion certification](#)
- 7 February 2018 [TerraX begins 2018 winter drill program at Yellowknife City Gold](#)
- 5 February 2018 [Auryn prepares to drill Aiviq discovery and updates Committee Bay](#)
- 5 February 2018 [Kennady's 2018 winter exploration program begins](#)
- 1 February 2018 [TerraX confirms a 100m wide mineralized Sam Otto South zone](#)

## NWT mineral tenure heat map

Mineral claim area fell further in 2017, as shown on the map below. For the larger version, of the NWT mineral tenure heat map PDF click [here](#).



## Mines & promising Northwest Territories mine projects

The following table describes leading mineral development projects in the NWT.

Project Name	Owner(s)	Commodity	Description	Status
<a href="#">Ekati Mine</a>	<a href="#">Dominion Diamond Mines</a> , and Dr. Stewart Blusson.	Diamonds	Canada's first and largest diamond mine, 310 km. NE of Yellowknife. Open pit and underground. Mine life to 2041. Workforce in 2016, 1,889. The Ekati mine consists of two joint ventures, the Core Zone Joint Venture and the Buffer Zone Joint Venture, in which the company has an interest of 88.9% and 72.0%, respectively. Reserves at 31 January 2017 were 68.9 million tonnes at 1.5 carats per tonne for 105.4 million carats. Inferred mineral resources were 20.6 million tonnes at 1.0 carats per tonne for 19.8 million carats. Additionally, Fox Deep indicated and inferred resources of 51.0 million tonnes at 0.4 carats per tonne for 18.7 million carats.	News release, November 1, 2017, Dominion Diamond announces completion of plan of arrangement which saw the private corporation, The Washington Group of Companies, acquire Dominion Diamond Corporation and its interests in the Ekati and Diavik diamond mines.
<a href="#">Diavik Mine</a>	<a href="#">Rio Tinto</a> (operator) & <a href="#">Dominion Diamond Mines</a>	Diamonds	Canada's largest producer of diamonds, 300 km NE of Yellowknife. Mine life to 2025. Became all underground mine in 2012. Workforce in 2016, 1,187. Work to develop new A21 open pit well underway and will cost US\$350m over 4 years. A21 is on track to commence ore production in the second half of 2018. The A21 workforce will peak at approximately 200 people. Reserves at Dec 31, 2016 were 16.3 million tonnes at 2.8 carats/tonne for total of 46.0 million carats. Inferred mineral resources are 1.9 million tonnes at 2.9 carats per tonne for 5.5 million carats.	News Release, March 31, 2017, Dominion Diamond files updated technical report for Diavik Diamond Mine
<a href="#">Gahcho Kué Mine</a>	<a href="#">De Beers Canada</a> (51% and operator) and <a href="#">Mountain Province</a> (49%)	Diamonds	Located approximately 280 km NE of Yellowknife, NWT. Open pit mine with life of 12 years. Mine reached commercial operation in Q1 2017. Workforce in 2016, 628. Plan is for three open pits to mine 5034, Hearne and Tuzo ore bodies producing average of 4.5 million carats/year. Reserves at 31 March 2014 (production commenced Q3 2016) were 35.4 million tonnes at 1.6 carats per tonne for 55.5 million carats.	News release, 26 February 2018, De Beers Canada launches UN Women scholarships for STEM students  News release 13 February 2018, Mountain Province Diamonds results of first diamond sale of 2018
<a href="#">Prairie Creek</a>	<a href="#">Canadian Zinc Corporation</a>	Zinc-lead-silver	Proposed underground mine 120 km W of Ft. Simpson. Estimated mine jobs: 220 All permits now in place to construct and operate the mine. Feasibility Study completed in 2017 supports 15-year mine life. Subject to completion of financing, and 2.5-year construction phase, production proposed for mid-2020.	News Release, January 23, 2018: Two-Month Extension for Minister's Decision on Report of Environmental Assessment for Prairie Creek All-Season Road  News Release, December 22, 2017: Canadian Zinc Us\$10 Million Interim Financing for Prairie Creek Mine



			<p>In 2017, the Mackenzie Valley Environmental Impact Review Board recommended approval of the proposed all season road.</p> <p>Over the past eight years Canadian Zinc has successfully completed numerous environmental assessments related to exploration and development of the Prairie Creek Mine. Canadian Zinc has obtained all the significant regulatory permits and social licences required to complete construction and development and undertake mining and milling at Prairie Creek, including construction and use of a winter access road to the mine site.</p>	
NICO	Fortune Minerals Ltd.	Cobalt-gold-bismuth-copper	<p>Proposed open pit and underground mine located 50 km NE of Wha Ti. Estimated mine jobs: 150.</p> <p>In September 2017, the GNWT announced completion of the request for qualification phase of the proposed private-public-partnership to design, build, finance, operate and maintain the Tlcho All Season Road and has selected three consortiums to advance to the request for proposal stage, subject to progress of the EA. Earlier this year, the Canadian, GNWT and Tlcho governments announced conditional approval of federal funding for 25 per cent of the construction costs for the TASR through the P3 Canada Fund. The winning consortium will fund the remaining 75 per cent of the cost of the road and will be repaid with interest over the life of the contract by the GNWT.</p>	News release, December 15, 2017, Fortune Minerals completes \$5M private placement
Kennady North	Kennady Diamonds Inc.	Diamonds	<p>Kennady Diamonds controls 100% of Kennady North project comprising 13 leases and claims immediately to north and west of 4 leases controlled by the Gahcho Kué Joint Venture (see above). Kennady Diamonds aims to identify a resource along the Kelvin – Faraday kimberlite corridor of between a 12 and 15 million tonnes at a grade of between 2 and 2.5 carats per tonne and also to identify new kimberlites outside of the corridor. The Kelvin – Faraday corridor is a target for further exploration. The tonnage estimate is based on the drilling completed to date. Potential quantity is conceptual as there has been insufficient drilling to define a mineral resource and it is uncertain if further exploration will result in target being delineated as a mineral resource.</p>	<p>News Release, March 9, 2018: Mountain Province and Kennady File Joint Circular Seeking Shareholder Approval of Business Combination</p> <p>News Release, March 7, 2018: Update on the Kennady North Winter Drilling Program: Drilling at Faraday 1-3 progressing well - kimberlite intersected in all holes to date; Delineation drilling on Faraday 2 underway</p> <p>News Release, March 5, 2018: Kennady Obtains Interim Order for Plan of Arrangement</p> <p>News release, 5 February 2018, Kennady's 2018 winter exploration program begins</p> <p>News Release, January 29, 2018: Mountain Province Diamonds to Acquire Kennady Diamonds in a Friendly All-Share Offer</p>
Indin Lake	Nighthawk Gold	Gold	<p>Nighthawk controls over 90% of the prospective Indin Lake Greenstone Belt in this historic gold camp with a total ground position now comprising</p>	News release, 21 February 2018, Nighthawk reports gold recoveries up to 98% from Colomac work

## NWT & Nunavut Chamber of Mines – Northern Mining News

			930 sq km, approximately 220 km north of Yellowknife, NT. The Indin Lake Greenstone Belt is one of Canada's most underexplored gold camps. The property contains 14 known gold deposits and showings, 3 are historic mines (eg Colomac)	
<a href="#">Pine Point</a>	<a href="#">Pine Point Mining (formerly Darnley Bay)</a>	Lead-zinc	Proposed open pit mine east of Hay River, NT. 10 open pits mined sequentially with 321 jobs. Darnley Bay Resources acquired the project in 2017, and has begun active exploration to advance the project. Darnley Bay Resources is planning to start feasibility study in September, with results expected the following year. PEA quotes 13-year mine life.	News release, 26 February 2018, Osisko Metals announces 50,000 metre drill program at Pine Point and outlines exploration and development program
<a href="#">Courageous Lake</a>	<a href="#">Seabridge Gold Inc.</a>	Gold	Proposed open pit mine 240 km NE of Yellowknife. 6.5 M oz proven and probable reserves in 91.0 million tonnes at 2 g/t (2016 Annual Report). Positive PFS July 2012. The FAT deposit is one of Canada's largest undeveloped gold projects. Seabridge is currently focusing on their KSM mine and other BC projects.	News releases, 20 February 2018, Seabridge Gold begins drilling Courageous Lake Project
<a href="#">Selwyn (Howard's Pass Project)</a>	<a href="#">Selwyn Chihong Mining Ltd.</a>	Zinc, lead	Proposed base metal mine in Yukon on NWT border and access is through NWT. Agreements signed with NWT (Sahtu) Indigenous land corporations. The project will process multiple open pit mines over an approximate 10+ year mine life and includes a mineral processing plant, tailing management facility and the required on-site infrastructure. The mine is being designed to process 38,500 tonnes per day (tpd) of ore which, after processing, is expected to result in 2,500 tpd of zinc and 600 tpd of lead concentrate, which would be trucked to the Port of Stewart for export. Selwyn Chihong estimates the proposed mine will create approximately 1500 jobs during construction and approximately 750 during operation.	Selwyn Chihong Mining's proposed upgrade of a road to its lead-zinc mining project in Yukon's Selwyn Mountains will undergo an environmental assessment. Parks Canada has referred the 79km Howard's Pass Access Road (HPAR) to Environmental Assessment under the MVEIRB, which accepted the referral in July 2015. The HPAR was developed in the 1970s, and runs from the Nahanni Range Road to the NWT-Yukon border. Passing through 2 national parks. Yukon media reported in Feb 2016 that Selwyn Chihong has decided to slow their project down due to the current low zinc prices, and will not to take the project to the permitting stage this year. According to External Affairs VP Maurice Albert, SC has opted for a traditional drilling program and hopefully add another 10 years to the mine life.
<a href="#">Nechalacho</a>	<a href="#">Avalon Advanced Materials Inc.</a>	Rare earth metals	Proposed underground mine 100km SE of Yellowknife. Estimated mine jobs: 200. The company remains optimistic that rare earth demand will recover sufficiently to advance the project.	News release, 29 November 2017, Avalon releases annual sustainability report with 2017 annual filings

## Mines & promising Nunavut mine projects

The following table describes leading mineral development projects in Nunavut.

Project	Owner(s)	Commodity	Description	Status
<a href="#">Meadowbank Gold Mine</a>	<a href="#">Agnico Eagle Mines</a>	Gold	In operation since 2010. Open pit mine located in the Kivalliq Region, 300 km west of Hudson Bay and 70 km N of Baker Lake. Mine jobs: 775 AEM announced they will develop Amaruq satellite deposit, 50km from mine site and add 6 years to mine life, beginning in 2019. Construction of the Amaruq Exploration Access Road commenced in first quarter 2016. Road construction is ongoing with nine kms completed to date of expected total length of 64kms.	News Release, February 14, 2018: Agnico Eagle Reports Fourth Quarter and Full Year 2017 Results – Record Annual Gold Output; Production Guidance Increased for 2018 And 2019; Reserves Increase Year-Over-Year
<a href="#">Mary River Iron Mine</a>	<a href="#">Baffinland Iron Mines Corporation</a>	Iron	In operation since September 2014; Open pit mine 936 km N of Iqaluit. Mine jobs: 602 Production from Early Revenue Phase (ERP) began September 8, 2014. company has proposed a Phase 2 project with increased production and shipping. AANDC Minister has approved application for exemption from NPC negative conformity determination, July 2015.	News release: October 18, 2017, Baffinland Iron Mines concludes record-setting shipping season
<a href="#">Hope Bay (Mine began commercial production May 15, 2017)</a>	<a href="#">TMAC Resources Inc.</a>	Gold	Gold mine 130 km S of Cambridge Bay. TMAC's property covers the majority of the Hope Bay Greenstone Belt. Workforce in 2016: 335 First gold poured in first quarter 2017 and achieved commercial production in second quarter 2017.	News release, 23 February 2018 TMAC reports fourth quarter and 2017 results
<a href="#">Meliadine</a>	<a href="#">Agnico Eagle Mines Ltd.</a>	Gold	Proposed open pit and underground gold mine, 25 km NE of Rankin Inlet. Estimated construction jobs: 1,000 Estimated mine jobs: 700 IIBA signed June 2015. Initial capital cost estimate \$911m; mine life 14 years. On February 15, 2017: Agnico Eagle approved Meliadine and Amaruq projects for development with production beginning in 2019.	News Release, February 14, 2018: Agnico Eagle Reports Fourth Quarter and Full Year 2017 Results – Record Annual Gold Output; Production Guidance Increased for 2018 And 2019; Reserves Increase Year-Over-Year
<a href="#">Back River</a>	<a href="#">Sabina Gold &amp; Silver Corp.</a>	Gold	Approximately 60KM from Hackett River; adjacent to the Wishbone Greenstone belt. Consists of George and Goose Lake deposits and holds significant gold resources. Estimated construction jobs: 1,600 Estimated mine jobs: 900 Sabina's Feasibility Study on its 100% owned Back River Gold Project presents a project designed on a fit-for purpose basis, with the potential to produce ~200,000 ounces a year for ~11 years with a rapid payback of 2.9 years (at a US\$1,150 gold price and a 0.80 exchange rate). Initial CAPEX of \$415 million. Project	News release, 13 February 2018, Sabina announces \$83m for exploration and to advance Back River

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			certificate from NIRB obtained in December 2018 completing environmental assessment.	
<a href="#">Kiggavik</a>	<a href="#">AREVA Resources Canada Inc.</a>	Uranium	Proposed uranium mine 80 km W of Baker Lake. Estimated Construction jobs: 750 Estimated mine jobs: 600	July 25, 2016, Federal Minister of Indigenous and Northern Affairs Canada, on behalf of responsible ministers for authorizing whether the Kiggavik Project should or should not proceed, accept NIRB's determination that the Project should not proceed at this time.
<a href="#">Izok Corridor Project (with High Lake &amp; Hood River deposits)</a>	<a href="#">MMG Ltd.</a>	Copper, Zinc, Gold, Silver	High Lake is 1,710-hectare, copper-zinc-silver-gold property, 190 km ESE of Kugluktuk. Izok is high-grade zinc-copper-lead-silver deposit, 255 km SW of Kugluktuk. Estimated construction jobs: 1,140 Estimated mine jobs: 710	MMG examining alternative designs to reduce costs, add value, and improve economic viability of the project. Company stated publicly that project needs Grays Bay Road and Port project infrastructure to become a mine.
<a href="#">Chidliak</a>	<a href="#">Peregrine Diamonds Ltd.</a>	Diamonds	Located 120 kilometres NE of Iqaluit, the capital of Nunavut, and 180 km S of Pangnirtung. 71 kimberlites discovered to date with 8 potentially economic on 413,000-hectare site. Positive Phase One Preliminary Economic Assessment in July 2016 highlights: <ul style="list-style-type: none"> <li>• After-tax payback - 2 years,</li> <li>• LOM of 10 years.</li> <li>• Commercial production 2021 with 3-year construction schedule.</li> <li>• LOM average production rate of 1.2 million carats per annum, peaking at 1.8 million carats/year.</li> <li>• LOM average head grade 1.67 ct/T</li> <li>• Estimated pre-production capital of approximately C\$434.9 million, includes construction of 160-kilometre, all-weather road to connect to Iqaluit.</li> <li>• 2,000 tonnes per day.</li> <li>• LOM Opex of C\$94.4/tonne of C\$57.7/carat.</li> </ul>	News release, 15 February 2018, Peregrine reports 58% increase in Chidliak's CH-6 kimberlite resource
<a href="#">Angilak</a>	<a href="#">Kivalliq Energy Corp.</a>	Uranium	340,268-acre property located SW of Baker Lake; Hosts the high-grade Lac 50 Trend deposit	News Release, October 25, 2017, Kivalliq Energy Corporation identifies new Baffin Island gold property, confirms gold zones
<a href="#">Qilalugak</a>	<a href="#">North Arrow Minerals</a>	Diamonds	7 km from tidewater; 9 km from Repulse Bay, Melville Peninsula; 7,143 hectares of contiguous mineral claims. Largest kimberlite in Nunavut.	News release, 28 February 2018, North Arrow recovers 64.25 carats from 209.8 tonnes at Naujaat  Presentation, February 2018, Member's corporate presentation: North Arrow Minerals
<a href="#">Committee Bay Gold Project</a>	<a href="#">Auryn Resources (purchased North Country Gold Corp.)</a>	Gold	Committee Gold Bay Project Highlights: <ul style="list-style-type: none"> <li>• High grade gold endowment</li> <li>• Existing exploration infrastructure</li> <li>• 217,600 hectares with district scale discovery opportunities</li> </ul>	News release, 5 February 2018, Auryn prepares to drill Aiviq discovery and updates Committee Bay

Project maps

