

# Northern Mining News

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## From the Editor ...

Great news that \$61.5 million dollars for roads and a port to support mineral development in the Slave Geological Province, a particularly mineral rich and underdeveloped region that spans the Northwest Territories and Nunavut. Our members are very supportive of this investment.

However, we expressed some big concerns about the creation of Thaidene Nene. The Government of Canada and the Government of the Northwest Territories (NWT) have, in effect, subverted the rule of Federal law in their move to expedite the two significant conservation areas in the NWT. Read on for more on this and for our president's guest editorial as well!

Amazing donation by Agnico Eagle in Nunavut. The company, to commemorate the opening of its Amaruq Whale Tale deposit, donated to four different community initiatives – total investment \$1 million. Wow! Thanks Agnico Eagle. Community support is one way Mining North Works! And thanks too to Seabridge for their donation! A few examples of our members keeping local communities and organizations top of mind. Here's to finding more deposits which become mines which leads to even more support by our industry for community wellness.

On the public awareness side, have a look at our latest Mining North Works! product – the Mining North Works for Nunavut video. It's a comprehensive look at 'all things mining' in Nunavut!

Happy reading! ... Editor

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

## **Minerals industry welcomes infrastructure funding for NWT and Nunavut**

The NWT & Nunavut Chamber of Mines [welcomes federal and territorial government funding](#) support announced for roads and a port to support mineral development in the Slave Geological Province, a particularly mineral rich and underdeveloped region that spans the Northwest Territories and Nunavut.

Recent announcements between the federal government, the two territorial governments and the Kitikmeot Inuit Association (KIA), commits over sixty million dollars to the Slave Corridor Project. Funding details include:

- In the NWT, \$40 million to support: environmental and regulatory reviews for a road from Highway 4 to Lockhart Lake; planning of road design and alignment from Highway 4 to the Nunavut Border; and planning studies for the Slave Geological Province Corridor to make this project shovel-ready. Transport Canada will contribute \$30 million under the National Trade Corridors Fund (NTCF) and the NWT government will contribute \$10 million.
- In Nunavut, \$21.5 million to complete preparatory work necessary for the first phase of construction of the Grays Bay Road and Port Project, which would support mineral development in the Nunavut portion of the Slave Geological Province. Funding is coming from the NTCF, with additional funding expected later from Nunavut Tunngavik Inc., the KIA's parent organization, to bring this project to shovel-ready state over the next two to three years.

“This is a very exciting development for Canada’s North,” said Gary Vivian, President of the Chamber. “It’s been a long time coming, with initial discussions on these visionary projects beginning some sixty years ago. By reducing the cost of accessing this remote region, its significant potential can be unlocked for the benefit of not only the NWT and Nunavut, but also for Canada. It’s exciting too, to see the KIA, an Indigenous government, as a leading partner in this nation building Canadian infrastructure development.”

The proposed Slave Geological Province corridor would include over 600 kilometres of all-season road (approximately 230 km in Nunavut, 413 km in the NWT) connecting, for the first time, Nunavut to the rest of Canada. The long-term vision would see the corridor support road, communications and hydro transmission line infrastructure, connecting the NWT to a deep-water Arctic port in Nunavut, and creating new economic opportunities and benefits for residents of both territories.

Yesterday’s announcement in Iqaluit was made by Federal Transportation Minister Marc Garneau and Nunavut Minister of Economic Development and Transportation David Akeeagok. Today’s announcement in Yellowknife was made by NWT Member of Parliament Michael McLeod on behalf of Minister Garneau and by Wally Schumann, NWT Minister for Infrastructure and for Industry, Tourism and Investment.

## **Grays Bay Road and Port a ‘game changer’ for Nunavut and Izok Corridor**

MMG Limited welcomed the commitment from the Canadian National Trade Corridors Fund to commit [CAD \\$21.5 million to the design, permitting and development of the Grays Bay Road and Port \(GBRP\) Project](#).

The funding from the Canadian Government’s National Trade Corridors Fund will be used to advance the design, permitting and feasibility of the project to ‘shovel-ready’ stage. The road and port represent critical infrastructure to open up access to the Greenstone belts of the Slave Geological Province, which host MMG’s Izok and High Lake deposits. The funding adds to the \$7.25 million already committed by Inuit Representative Group, Nunavut Tunngavik Inc (NTI).

“On behalf of MMG, I would like to extend my sincere thanks to the Canadian Government for committing their support and funding and my congratulations to the Kitikmeot Inuit Association and all the people of Nunavut on this announcement”, said MMG CEO, Geoffrey Gao. “Road and port access is the key to unlocking the Izok Corridor, hosting some of the world’s most attractive undeveloped zinc and copper deposits.

“Together, the Grays Bay Road and Port and the Izok Corridor Project, could bring tremendous opportunities for Canadians to build and operate these projects, and will enhance economic growth and social development in Nunavut and the Northwest Territories,” Gao said.

### ***Gray’s Bay Road and Port***

The Kitikmeot region of Nunavut in northern Canada hosts some of the world’s more attractive undeveloped zinc and copper resources. However, located near the Arctic Circle and with no supporting infrastructure, these resources have remained undeveloped since their discoveries roughly 50 years ago.

Since 2016, Indigenous landholders, the Kitikmeot Inuit Association (KIA), has been working to advance the Grays Bay Road and Port Project (GBRP) with support from the Inuit Representative Group, Nunavut Tunngavik Inc. (NTI) and the Government of Nunavut. This project offers an infrastructure lifeline to the entire Slave Geological Province which contains the Izok and High Lake deposits, amongst others.

In late 2017, KIA’s project proposal reached its first milestone with acceptance by the Nunavut Impact Review Board (NIRB) of environmental screening of the project under the Nunavut Planning and Project Assessment Act and the Nunavut Agreement. To follow the development of this unique effort visit: <http://www.gbrp.ca/>



*\$21.5 million has been announced to complete preparatory work necessary for the first phase of construction of the Grays Bay Road and Port Project.*

### ***The Izok corridor deposits***

The Izok Corridor Project includes the Izok and High Lake deposits located in Nunavut in the Canadian arctic within a geological formation known as the Slave Geological Province. Izok is a zinc/copper deposit with a Mineral Resource of 15 million tonnes at 13% zinc and 2.3% copper. The High Lake deposit, located north of Izok, has a Mineral Resource of 14 million tonnes at 3.8% zinc and 2.5% copper.

The Izok Corridor Project offers the potential for significant socio-economic contributions to the Nunavut, Northwest Territories and Canadian economies.

Project development requires construction of a 325 kilometre all-weather road, as well as a deep-water port on the Arctic Ocean to facilitate transportation of metal concentrates to overseas markets. MMG also holds several other base metal deposits and exploration tenements in this highly prospective region.

### **Federal and Territorial governments subvert the rule of law (Thaidene Nene)**

The Government of Canada and the Government of the Northwest Territories (NWT) have, in effect, subverted the rule of Federal law in their move to expedite two significant conservation areas in the NWT.

In advancing the Thaidene Nene National Park Reserve and the Thaidene Nene Territorial Protected Area, the Federal and Territorial governments have subverted the intended purpose of the Mackenzie Valley Resource Management Act (MVRMA), the NWT's foundational and much lauded environmental legislation that is rooted in Indigenous land claims. Under this law, governments are required to conduct preliminary screenings of park developments to assess any environmental or public concerns before final decisions are made

The Chamber of Mines and other intervenors participated in the preliminary screening processes and raised their “public concern” over shortcomings that include the lack of transparency and diligence in creating the boundaries, a poorly funded resource assessment, lack of socio-economic analysis, and Parks Canada's refusal to negotiate a transportation corridor to provide access to development opportunities beyond the park boundaries. Both governments chose to ignore these valid public concerns. The legal authority that oversees the adequacy of preliminary screenings, the Mackenzie Valley Review Board (Review Board) reviewed public concerns and found both governments usurped the MVRMA environmental review process. Critical observations and conclusions reached by the Review Board are found in two decision papers they issued for the [Federal Thaidene National Park Reserve](#) and for the [NWT Thaidene Nene Protected Area](#). In both decisions, the Board found Government actions wanting or failing in preliminary screenings they conducted to assess the environmental and socio-economic effects of the conservation areas. In essence, both governments confounded the Review Board's ability to do their work:

- “Action was taken to establish the national park before the screening was complete. Parks Canada's approach ... is not consistent with the MVRMA to complete a preliminary screening after irrevocable decisions to proceed with a development have already been

made.” In legislating the national park reserve before the preliminary screening was completed, Parks Canada in effect circumvented the requirements of the law.

- Similarly, in regard to the NWT government’s preliminary screening, the Review Board “is deeply concerned with how the GNWT appears to have modified the might test found in s.125 of the MVRMA.” Further, the Board reminds government that this test of public concern “stems from the land claim agreements and is written in law” and “... it is incumbent on screeners to duly consider it and apply it consistent with the intent and letter of the MVRMA.”

Unfortunately, while the Board is critical of the governments for not following the MVRMA legislation, it has concluded in both cases that it now cannot exercise its discretion to refer the screenings to further study by an environmental assessment, as they might have done had government not effectively neutralized their ability to do so.

According to Chamber of Mines President, Gary Vivian: “Our industry members have emphatically told us that they are not against the creation of National Parks and conservation areas. However, they are deeply concerned, as should the public and Indigenous governments be, when governments can ignore, misinterpret or twist the law to suit their own purposes. It is poor governance when a double standard is at play. A development of a park or a mine are to be treated the same under the law, but governments have found a way to shortcut the law to suit their purposes.”

“We issue the challenge to all governments – Federal, Territorial and Indigenous – to provide the public with clear information and guidance on how these issues will now be addressed, and ensure open, transparent and informed decision making, and prevention of government agencies and departments from thwarting the law,” says Vivian. Some suggestions for governments include:

- Have Parks Canada make allowance for a future corridor through the park, which currently challenges access to a huge undeveloped region in the southeastern NWT. The Park will hamper future benefits to northerners from resource development in this region, much larger than the park. This is the same region that the GNWT invested several million dollars in geoscience to help attract industry investment. Corridors exist or are allowed in other parks, including Banff, Jasper, Nahanni, Ukkusiksalik, and most recently under discussion for Wood Buffalo National Park.
- Resource development creates much-needed revenues for government that benefits everyone in the NWT, and there needs to be a fulsome economic analysis of the socio-economic effects of big land withdrawals versus the undefined concept of “conservation economy” as proposed for Thaidene Nene.
- To remove the perception of bias or conflict of interest, improvements must be made so that preliminary screenings of parks be delegated to the MVRMA boards rather than the government agencies and departments responsible for conservation areas. The proponent should never be allowed to be the screener. It certainly does not happen for industry.

- Correct the situation created by the newly passed NWT Protected Areas Act which requires no resource assessments be required to inform decision making prior to contemplating the removal of lands for conservation purposes.
- Have NWT leadership force any conservation area proposal to be aligned with their own [Land Use and Sustainability Framework](#) which commits them to ensuring that “Land-management decisions consider ecological, social, cultural and economic values to ensure maximum benefits to current and future generations.”
- Advance a new Akaitcho land use plan. Land use planning is the appropriate umbrella under which discussions take place on all land uses, including park creation and resource development. Since there is no land use plan for the Thaidene Nene area, park creation was the “cart before the horse” and has now trumped other land uses. Governments need to advance this land use plan to remove other potential conflicts and increase land use certainty.
- And as per the Review Board’s suggestion, “Going forward, the Review Board suggests that a regional strategic environmental assessment, as a type of regional study under Part 5.2 of the MVRMA, should be considered before establishment of specific protected areas, as a way to inform planning and explore the implications for broader well-being.”

"In advancing conservation or development areas, governments have a duty to their citizens to ensure fair due process and abidance to the rule of law," says Vivian. "Ultimately, the Thaidene Nene park processes reflect poorly on governance in Canada and will do little to instill public faith in our democratic offices and institutions let alone encourage critical investor confidence in Northern Canada. The NWT economy is already projected to face significant challenges from a maturing mining industry and weak exploration investment. These government actions do not help increase investor confidence."

***Additional points:***

- The combined size of the Thaidene Nene National Park Reserve and the adjoining, contiguous Thaidene Nene Protected Area is proposed to be 26,376 square kilometres, approximately the size of Great Slave Lake or the country of Belgium.
- The mineral industry is the largest private sector employer and contributor to the economy of the NWT and contributes over 40% of government revenues.
- However, the minerals industry is in the midst of a 12-year decline in exploration investment needed to sustain the sector, despite having one of the most attractive mineral endowments in the country. One of the primary causes for the lower investment in exploration in the NWT relative to other Canadian jurisdictions is the erosion of access to prospective lands.
- A typical diamond mine is approximately 15 square kilometres and can generate billions of dollars in employment, business and government benefits before being safely reclaimed upon closure.
- These considerations were not found in any socio-economic analysis provided on either the park or the protected area.

## **Chamber editorial - Feds, GNWT broke rules on Thaidene Nene park creation**

*Guest Editorial by Gary Vivian is President of the NWT & Nunavut Chamber of Mines, published in Northern News Services*

It's a worrisome day when we cannot trust our governments to follow their own laws.

But that's where we find ourselves with the process used to create the 26,000 square kilometres of Thaidene Nene National Park and Thaidene Nene NWT Protected Area this past week.

Let me be clear, the Chamber is not against the establishment of parks and protected areas but these developments have to undergo the same legal scrutiny as an exploration or mine development permit.

By law, the creation of both of these huge protected areas comes under the Mackenzie Valley Resource Management Act (MVRMA), where they must be treated as a "development" of the land, just as is a mine, a road or a quarry.

The MVRMA is considered one of the most progressive, transparent and inclusive laws for land and resource management in the world: it has its roots in the requirements of Indigenous land claims; it creates a very inclusive resource management process using boards made up of Indigenous and public government representatives; and it has a registry to provide full public disclosure.

So why were governments not required to follow this stellar legislation in establishment of these parks?

Despite the strengths of this law, it seems to have one weakness: it allows government agencies and departments that propose parks to oversee their own regulatory process, called a preliminary screening. Yikes! When the proponent for a park is also allowed to oversee the regulatory review of its own park creation process, it's a perceived conflict of interest. And in the cases of Thaidene Nene, it has now become a real conflict of interest.

This is not just our opinion.

The Mackenzie Valley Review Board has the job of overseeing developments. They recently issued two reports criticizing the governments of Canada and the NWT for not following the rules. Read their full reports on the public registry, but here are some excerpts:

"Parks Canada's approach ... is not consistent with the MVRMA to complete a preliminary screening after irrevocable decisions to proceed with a development have already been made." In other words, Parks Canada legislated the park without completing the requirements of the law.

The review board "is deeply concerned with how the GNWT appears to have modified the might test found in the MVRMA." This test of public concern "stems from the land claim agreements and is written in law" and "it is incumbent on screeners to duly consider it and apply it consistent with the intent and letter of the MRMA."

Unfortunately, while the board is critical of the governments for not following the MVRMA legislation, it appears both governments have taken them out of play, and neutralized their ability to do anything about it.

If we let governments ignore their own laws, then we no longer have the rule of law. And we are all losers when government is allowed the arrogance to ignore the laws they themselves created on our behalf.

At the least, the public deserves an apology from Canada and the NWT government for breaking the rules. At best, both governments should be taken to task to ensure this doesn't happen again, and that improvements are made.

Will they have the courage to do so themselves? Or must we, the public and other politicians, take them to task?

The strength of our laws depends on it. [View the editorial here.](#)

### **Agnico Eagle commemorates opening of Amaruq with \$1m donation**

Agnico Eagle commemorated the official opening of its new Amaruq Whale Tail project by announcing a [\\$1 million donation to four community initiatives](#) that will improve the quality of life for people in Baker Lake.

Luc Chouinard, General Manager of Agnico Eagle's Meadowbank Operations, made the announcement August 24, during the annual Baker Lake Festival by the Lake celebration.

"Agnico Eagle is dedicated to developing mineral resources responsibly and for the benefit of all. We are proud to contribute to the growth and prosperity of Baker Lake and its surrounding



*The commemorate the opening of its Amaruq Whale Tail deposit, Agnico Eagle announced \$1 million in donations to four community projects. Agnico Eagle photos*



communities. And, we are committed to creating strong communities and a legacy of support that will help nurture the next generation of Nunavummiut.”

During the event, Mr. Chouinard announced Agnico Eagle will help fund the following community priority initiatives:

- A donation of \$500,000 over the next five years to the Baker Lake Abluqta Society to establish a food bank and help address food insecurity in the region. The five-year funding program will support the delivery of:
  - A weekly hot lunch program for Elders
  - Weekly meals for volunteers who will staff the Food Bank (and related Thrift Shop) and organize various fundraising initiatives
  - A steady supply of dry food goods, allowing families most in need to pick up a food basket
  - Sufficient dry food reserve stocks for emergencies, with special attention to those with children at home
- A donation of \$250,000 to the Hamlet of Baker Lake Fire Department to purchase a garage to house and secure its new ambulance. The ambulance was recently purchased by Arctic Fuel – a local supplier to Agnico Eagle - as a gift to the community. However, due to a fire that had destroyed one of the municipal garages back in January, there was no place to safely park the ambulance and it was not able to be placed into service. By purchasing the garage, Baker Lake is finally able to put its new ambulance into service and provide better community health and emergency care to its citizens.
- A donation of \$150,000 to Baker Lake Search & Rescue for the acquisition of sophisticated drone technology and other equipment related to implementing more effective search and rescue operations – a critical need in remote northern communities – and to provide the required technical training and certification for the operators.
- A donation of \$100,000 to Baker Lake’s Department of Recreation for the purchase of a new sound and lighting system. The Hamlet regularly hosts very popular square dances and other events at its Community Centre.

Over 2,000 people attended the Community Celebration for the Amaruq Whale Tail Opening.

In announcing Agnico Eagle’s support for legacy initiatives, Mr. Chouinard said, “Abluqta means ‘step forward’ in Inuktitut and that is exactly what we’re hoping to achieve with our support for these community-identified priorities – helping the people of Baker Lake take a step forward and improve their lives by strengthening local food security, expanding their health care and emergency services, and by providing more opportunities to socially interact with their friends and family.”

What is the Amaruq Whale Tail Project? Amaruq is a satellite deposit located approximately 50 km northwest of Agnico Eagle’s existing Meadowbank mine. Amaruq hosts the Whale Tail gold deposit, which is being developed as a conventional open pit mining operation that will supply ore to the Meadowbank mill. Currently, there are 240 employees and contractors working at the site and once commercial production gets underway, we anticipate Amaruq Whale Tail will produce approximately 2.5 million ounces of gold between 2019 and 2025, with annual gold production averaging 272,500 ounces.

## **Mountain Province announces second quarter and half year 2019 results**

Mountain Province Diamonds Inc. announced its financial and operating results for the second quarter and first half 2019 ended June 30, 2019. All figures are expressed in Canadian dollars unless otherwise noted.

### ***Operational Highlights for Second Quarter 2019***

- 10,865,263 total tonnes mined in Q2 2019, 6% increase on comparable period (Q2 2018: 10,285,000).
- 882,374 tonnes of ore treated in Q2 2019, 2% decrease from comparable quarter (Q2 2018: 899,000 tonnes).
- 1,730,147 carats recovered at an average grade of 1.96 carats per tonne, 10% lower than comparable quarter (Q2 2018: 1,930,500 carats at 2.15 carats per tonne). The grade variance year over year is mainly a function of mining lower grade ore tonnes in Q2 2019 from Hearne and SWC Kimberlites in comparison to higher grades from the 5034 Kimberlite in Q2 2018. In addition, the ongoing plant modifications have, as expected, resulted in the removal of the very small, lowest value diamonds from the recovery process further contributing to fewer carats recovered.

### ***Financial Highlights for Second Quarter 2019***

- 1,077,730 carats sold at an average value of \$89 per carat (US\$67 per carat) for total proceeds of \$95.8 million (US\$71.7 million) in comparison to 1,113,724 carats sold at an



*Gahcho Kué diamond Mine produced 1.7 million carats at an average grade of 1.96 carats per tonne, in second quarter 2019. Mountain Province photo*

average value of \$89 per carat (US\$69 per carat) for total proceeds of \$99.1 million (US\$76.8 million) in Q2 2018. It is important to note that the majority of the carats sold in Q2, 2019 were from the Hearne and SWC kimberlites as per plan, which contain lower average values per carat than the 5034 ore body, that made up most of the production in the previous year. The achievement of similar average values per carat sold year over year is very encouraging and can be attributed to the company's ongoing efforts with its JV Partner, De Beers Canada to focus on optimizing the processing facilities recoverable size frequency distribution.

- Adjusted EBITDA<sup>1</sup> for the three months ended June 30, 2019 amounted to \$39.1 million (\$41.1 million in Q2 2018).
- Q2 2019 Earnings from mine operations amounted to \$17.8 million (\$18.5 million in Q2 2018).
- Free Cash Flow for the three months ended June 30, 2019 amounted to \$18.9 million (\$4.8 million in Q2 2018). Cash balance as of June 30, 2019 was \$30.2 million.
- Subsequent to the six months ended June 30, 2019, \$9.2 million Canadian dollar equivalent of secured notes payable (US\$7 million) was purchased by the company.
- Q2 Cash costs of \$106 per tonne treated and \$54 per carat recovered, include capitalized stripping costs<sup>1</sup> (\$112 per tonne treated and \$52 per carat recovered in Q2 2018).
- Q2 Net income was \$10.3 million or \$0.05 earnings per share (\$6.4 million or \$0.03 loss per share in Q2 2018). Included in the determination of net income for the three months ended June 30, 2019 are unrealized foreign exchange gains of \$7.5 million, on the translation of the company's USD-denominated long-term debt. The unrealized foreign exchange gains are a result of the relative strengthening of the Canadian dollar versus US dollar.

<sup>1</sup>Cash costs of production, including capitalized stripping costs, and adjusted EBITDA are non-IFRS measures with no standardized meaning prescribed under IFRS. See the Non-IFRS Measures section of the company's June 30, 2019 MD&A for explanation and reconciliation.

See the [full release](#) for more details on the following:

- Operational Highlights for H1 2019
- Financial Highlights for H1 2019
- Market Highlights for H1 2019
- Year to Date Summary

Click [here](#) for the company's release that it received NASDAQ notification.

### **TMAC announces Q2 financial results**

TMAC Resources Inc. reports its [second quarter 2019 financial results](#). All amounts are in Canadian dollars unless otherwise indicated.

Jason Neal, President and Chief Executive Officer of TMAC, stated, "The royalty transaction announced this morning strengthens the balance sheet with gross proceeds of \$57 million to enable ongoing investment in growth at Hope Bay while providing a buffer against operational volatility as well as the funding support for our seasonal sealift. This transaction was

determined to be the most attractive cost of capital, preserve the best participation in strengthening gold prices for our shareholders and has the benefit of maintaining both financial and strategic flexibility. TMAC reported consecutive quarters of earnings with a second quarter net profit of \$0.01 per share on revenue of \$66.1 million with an average realized gold price of US\$1,310 per ounce. As previously reported, quarterly production has modestly declined as a result of reduced plant recovery from 84% to 80%, which in turn has contributed to an increase in AISC(1) and Cash Costs(1) to US\$1,081 per ounce and US\$729 per ounce, and US\$1,036 per ounce and US\$693 per ounce for the quarter and year to date, respectively.”

### **Second quarter 2019 financial highlights**

- Gold production and sales 38,520 ounces produced, 37,730 ounces sold
- Gross revenues \$66.1 million
- Average realized gold price \$1,751 per ounce (US\$1,310 per ounce)
- Cash Costs (1) US\$729 per ounce of gold sold
- Cost of sales (2) US\$1,105 per ounce of gold sold
- All-in Sustaining Costs (“AISC”)( 1) US\$1,081 per ounce of gold sold
- Adjusted EBITDA (1) \$24.3 million
- Net profit \$1.2 million
- Net profit per share \$0.01 per share on a basic and fully diluted basis
- Cash flows from operations \$21.5 million
- Sustaining capex (1) \$12.8 million
- Expansion capex (1) \$11.4 million
- Cash on hand \$45.4 million at June 30, 2019, including:
  - \$14.6 million of unrestricted cash
  - \$30.8 million of restricted cash
- Principal repayments \$nil
- Debt balance \$147.7 million (US\$117.0 million)

(1) Refer to the “Non- IFRS Measures” section in the associated MD&A for a description and calculation of these measures. (2) Includes depreciation.

Also in August, TMAC provided an [interim exploration update including surface exploration drilling results at Doris](#) and initial drilling results from the Doris regional program, including high grade gold intercepts within 15 metres of surface.

See TMAC completes transaction with Maverix release [here](#).

### **Sabina reports continued high grade results at Nuvuyak discovery**

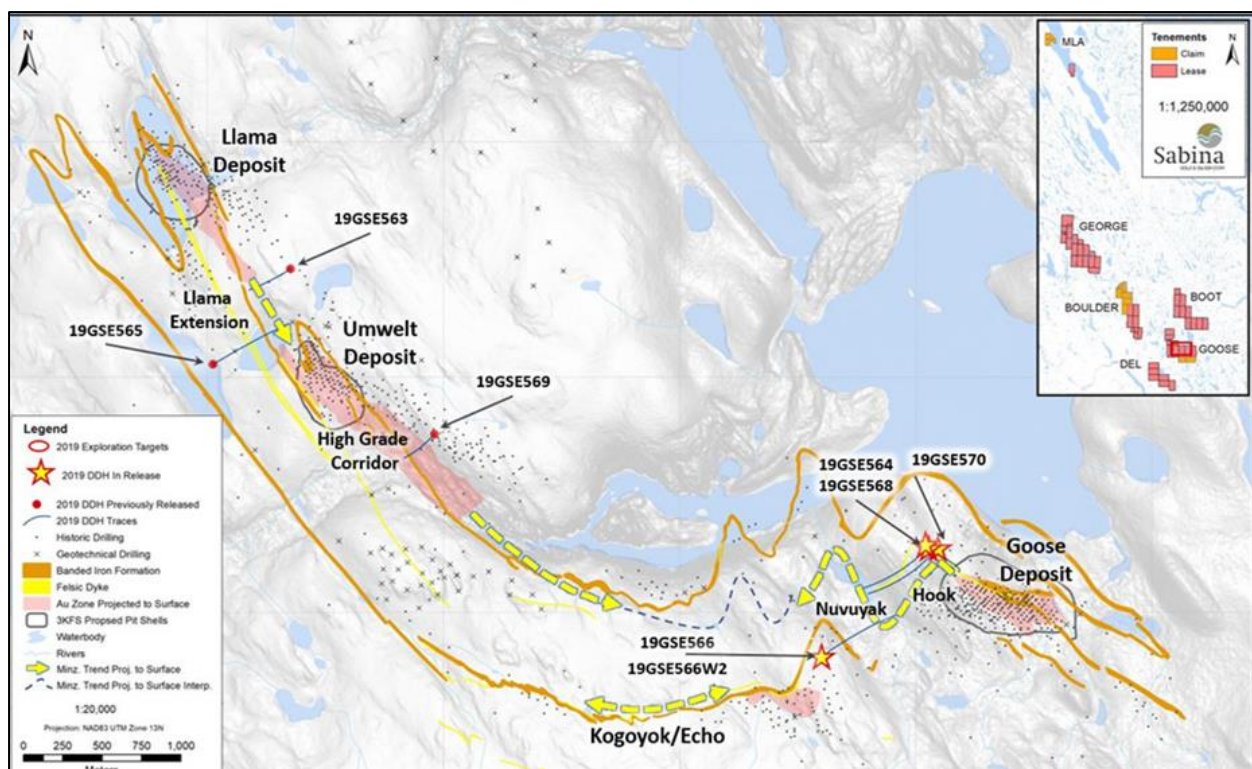
***Results include 10.15g/t Au over 6.95m, 14.70g/t Au over 9.25m and 10.52 g/t Au over 8.60m from drill hole 19GSE566W2***

Sabina Gold & Silver Corp announced the final results from the remaining four drill holes from this year’s spring drilling program at its 100% owned Back River Gold Project in Nunavut Canada.

Three drill holes targeted the emerging Nuvuyak gold zone while the fourth drill hole targeted a section of the Hook gold structure, just west of the Goose Main deposit (see Figure 1 below in release).

Results from drill hole 19GSE566W2, a wedge hole off previously announced hole 19GSE56 (July 18, 2019), continue to return multiple high grade values over significant widths within a broadly mineralized envelope of iron formation at Nuvuyak. Significant values, within a +150 m section of alteration and mineralization include 10.15 g/t Au over 6.95m, 14.70 g/t Au over 9.25m and 10.52 g/t Au over 8.60m. Drill hole 19GSE566W2 is wedged off 40 m up-plunge of the portion of high grade intercepts encountered in previously released drill hole 19GSE566 which returned 18.71 g/t Au over 3.5 m and 10.04 g/t Au over 18.00 m. See Table 2 in the full release for full listing of significant assays over the broader interval of iron formation.

An additional two drill holes, 19GSE564 and 19GSE568, were completed at the Nuvuyak target in a down plunge section of the gold structure. This drilling is located 320 m down plunge from wedge hole 19GSE566W2 giving the Nuvuyak gold zone a tested strike length of 370 m (Figure 2 in the full release). Holes 19GSE564 and 19GSE568 were designed to target a down plunge and down dip extension of the discovery. The drill holes were successful in expanding the known zone which remains open in all directions. Drill hole 19GSE564 extended mineralization vertically down the west limb of the mineralized antiformal structure by over 100 m (returning 11.97 g/t Au over 2.85 m). Drill hole 19GSE568 targeted down plunge of the discovery hole, 18GSE545, returning 8.36 g/t over 4.10 m from a strong zone of alteration and mineralization.



Plan Map Showing Drill Hole Locations for all 2019 Spring drilling, with holes highlighted in this release portrayed with stars. Image: Sabina image

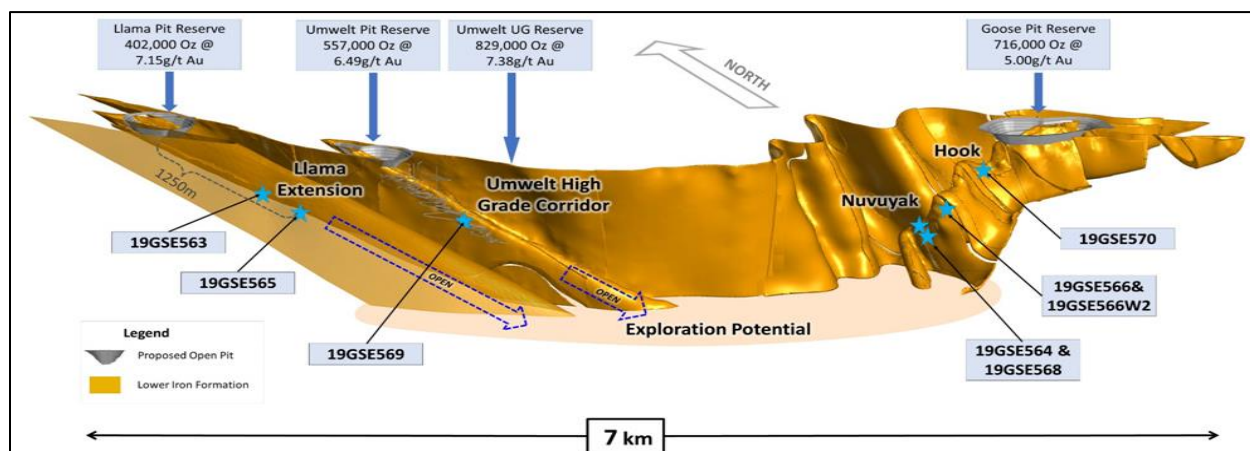
Bruce McLeod, President and CEO states “Over the last two years Sabina has focused on a number of key strategies around resource growth, resource optimization and discovery of potential new deposits at the Goose Gold Complex. Targeted drilling has extended the strike length of the Llama underground zone to over 1200m below the planned Llama open pit and remains open to depth. The high-grade corridor of mineralization within the Umwelt underground vault zone has demonstrated that it extends up plunge and remains open to depth. At the Nuvuyak discovery, we believe we have confirmed the potential for a significant new deposit with the elements of high grade gold in thick packages of iron formation that we see at the other Goose deposits (Umwelt, Goose Main and Llama). We are continuing to assess and evaluate the results from this spring and the last two years to better understand options around resource optimization and extension and the potential. This work is being done with a view to impact not only growth at Goose and in the region in general, but also to potentially enhance the economics of the already robust initial project.

### Nuvuyak Discovery Review

The Nuvuyak Zone was discovered in 2018 with drill hole 18GSE545 which returned 11.58 g/t Au over 39.50m – see news release August 20, 2018. The mineral zone which is located approximately 1000m down plunge of the Goose Main deposit has now been drilled over 370m of strike length and exhibits many of the geologic and mineralogic characteristics of the existing Goose property deposits; Llama, Umwelt and Goose Main. The deposit is open up and down plunge as well as in the down dip direction along the limbs of the anticlinal fold. Examples of select significant intervals from recent Nuvuyak drilling include; drill holes 18GSE559W1 which returned 12.41 g/t Au over 8.70m, 18GSE558 which returned 16.39 g/t Au over 13.20m and 18GSE558W2 which returned 5.81 g/t Au over 34.60m.

See the [full release](#) for more details and for information on:

- Hook Target Drilling
- Ongoing Exploration Work



Interpreted 3D model of the iron formation, showing 2019 drill holes and estimated gold mineral reserves. Sabina image

## **NorZinc provides results for second quarter 2019**

NorZinc Ltd. reported its interim financial results and development activities for the second quarter ended June 30, 2019.

Q2 2019 results and recent highlights included:

### ***Financial and Corporate***

- Hired Prairie Creek Project Manager (Apr)
- Engaged Cliveden Trading AG to provide concentrate marketing support (Apr)
- Mr. Warwick appointed as Chair of the Board (Jun)
- Ms. Brown joins the Board of Directors (Jun)
- Boliden concentrate marketing agreement extended to June 2022 (Jun)
- New financial advisor being sought (Jun)
- Study underway for possible mine enhancement (Jun)
- Cash at June 30, 2019 - \$4.3 million (Jun)
- Loss for Q2 2019 - \$3.2 million (Jun)

### ***Prairie Creek - Permitting and Indigenous Groups***

- ASR technical session held (May)
- Site opened in May and refurbishment of mobile equipment started (May)
- ASR information requests issued and responses submitted (Jun/Jul)
- Draft ASR permits distributed by MVLWB (Aug)

### ***Summary***

The company's activities are primarily focused on the completion of permitting and ultimate development of the Prairie Creek zinc-lead-silver mine in the Canada's Northwest Territories. The Prairie Creek Mine previously received operating permits in 2013 based upon a winter road access to the mine, but recent development planning has been based on all season access to the mine. The company is in the latter stages of the permitting process for the All Season Road ("ASR") with the current timeline indicating permit receipt in early Q4 2019 based on the schedule provided by the regulators.

- During the second quarter, the company has made significant advances towards the successful development of the Prairie Creek Mine.
- In April, after an extensive search, the company announced the hiring of its Project Manager for the development of the Prairie Creek Mine and anticipates hiring additional key development personnel throughout 2019.
- In May, the company announced coming changes to its board of directors. These were adopted in June and will prepare the company for its next phase of development. In June, the company responded to a number of information requests dealing with the ASR.
- In June, the company and Boliden extended the current MOU to June 30, 2022.
- In August, draft ASR permits were issued by Mackenzie Valley Land and Water Board for

- comment. Parks Canada has indicated draft ASR permits will be issued shortly. The final permits are expected in early Q4 2019.
- Since January, the company has undertaken a number of initiatives to advance the financing of the development of the Prairie Creek Mine and contemplates making various announcements during 2019 as these processes develop.

### ***All Season Road Regulatory Approval***

The Environmental Assessment of the ASR was completed in 2018. With the company's submission of the requested Post-EA information package in February 2019, subsequently deemed complete in March 2019, the ASR permit has now entered the final permitting stage jointly with the Mackenzie Valley Land and Water Board and Parks Canada. Comments from reviewers on the Post-EA information package were received April 25, 2019.

On May 15, 2019, the company provided written responses to all the comments and in early June participated in a three-day Technical Session with the reviewers in Yellowknife to discuss the comments.

Subsequent to the Technical Session, 11 information requests were issued to NorZinc and two to other participants. The company issued responses to the IRs.

The MVLWB draft all season road permits have been made available to government agencies and other reviewers for review and comments. Parks Canada has indicated distribution of their draft ASR permits will occur shortly. Comments from reviewers are due on August 29, 2019 and responses from the company are due September 5, 2019.

The draft permits confirm reclamation security deposits will be due in two phases, phase 1 being the construction and operation of a winter road to transport equipment and materials to the Prairie Creek site and phase 2 being the construction of the ASR. The draft ASR permits also confirm the use of a hoverbarge to allow crossing of the Liard River and minor road realignments will not require an environmental assessment.

See the [full release](#) for more details on:

- Financing Initiatives
- Concentrate Marketing
- Corporate Matters
- Review of Financial Results
- Outlook and Factors Affecting Performance

Click [here](#) for the company's August 16 media release on Parks Canada issuing draft all season road permits for the Prairie Creek Mine.

### **Osisko Metals releases exceptional flotation test work results at Pine Point**

Osisko Metals Incorporated is pleased to announce preliminary flotation test work results from the Pine Point Project in the Northwest Territories, Canada. These results were obtained from testing representative drill core samples from the 2018-2019 definition drilling campaign that were pre-concentrated using an X-Ray Transmission material sorter. The resulting concentrate



was analyzed for lead and zinc as well as a suite of deleterious elements typically associated with smelter penalties.

Results from the optimized cleaner testwork are as follows:

- Zinc recovery ranged between 93.1 to 94.5%
- Lead recovery ranged from 87.4 to 91.4%
- Zinc concentrate grade ranged between 63.6 to 64.1% Zn
- Lead concentrate grade ranged between 67.9 to 72.1% Pb
- Zinc concentrate is significantly below penalty thresholds for all deleterious impurities except MgO, which is at threshold limits.

Jeff Hussey, P. Geo., Osisko Metals President and CEO, commented: “These preliminary results are outstanding and confirm that the zinc concentrates originally produced at Pine Point were amongst the cleanest in the world. Using conventional flotation, we were able to achieve exceptional recoveries as well as concentrate grade and quality. We do not anticipate any smelter or refinery penalties should Pine Point go into production. We believe the Pine Point zinc concentrate would be a premium blending product in the zinc concentrate market which is forecasted to be dominated by much lower quality concentrates.”

Robert Wares, P. Geo., Osisko Metals Executive Chairman, also commented: “I am very impressed by these initial test results – quite frankly the best I have seen in my career. The Pine Point deposit is growing into a major zinc project with significant near-surface resources, excellent concentrate grades and recoveries, ready access and existing infrastructure, all within a safe Canadian jurisdiction. We expect to expand the resources this year with additional drilling that will be underway by the end of this quarter.”

<b>Summary results</b>	
Rougher Flotation Test Work	
Initial	Optimized
Zinc recovery 80.4% to 91.5%	Zinc recovery 95.3% to 97.7%
Lead recovery 97.6% to 99.0%	Lead recovery 96.7% to 97.4%
Cleaner Flotation Test Work	
Initial	Optimized
Zinc recovery 83.9% to 87.7%	Zinc recovery 93.1% to 94.5%
Lead recovery 92.2% to 95.9%	Lead recovery 87.4% to 91.4%

Concentrate Analysis (optimized cleaner product)

- Zinc concentrate is below penalty threshold for all deleterious impurities except MgO
- Zinc concentrate grades ranged between 63.6% to 64.1% Zn
- Lead concentrate grades ranged between 67.9% to 72.1% Pb

[View release.](#)

## **GNWT holds ground-breaking ceremony for Tlicho all-season road to Whati**

Fortune Minerals Limited is pleased to report that the Government of the Northwest Territories held a ground-breaking ceremony in the community of Whati on August 24, 2019 to [celebrate the commencement of construction of the Tlicho All-Season Road](#). This 97-kilometre, two-lane gravel highway will replace the existing winter ice road to Whati and provide a more reliable all-season connection to the Territorial highway system as part of the GNWT's Infrastructure Plan. Fortune's NICO Cobalt-Gold-Bismuth-Copper Project is located 50 kilometres north of Whati and the company plans to construct a spur road to the mine as part of its proposed development. The NICO Project is one of the few cobalt development assets outside of the Democratic Republic of Congo to service demand growth in lithium-ion batteries used to power portable electronic devices, electric vehicles and stationary energy storage systems to make electricity use more efficient. The mineral reserves for the NICO project also contain more than one million ounces of gold.

The GNWT is working in partnership with the Tlicho and federal governments to develop the Tlicho Road. The Government of Canada is providing up to 25 per cent of the \$213.8 million construction costs through the P3 Canada Fund. The GNWT is funding the remaining 75 per cent, using a private-public partnership ("P3") structure with North Star, 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. North Star will design, finance, construct, operate and maintain the Tlicho Road over a 28-year period for a total contract value of \$411.8 million. The Tlicho Government has invested approximately \$16 million to purchase a 20 per cent equity interest in North Star.

Construction of the Tlicho Road is expected to commence in September 2019 and officially open to the public in 2022. In addition to extending all-season road access to Whati, this transformative project will also improve the reliability of winter ice roads extending north to the communities of Gameti and Wekweeti and bring transportation efficiencies to help reduce the cost of living for the region, support new social opportunities, and encourage resource exploration and development. Road construction and maintenance will also result in significant employment and training opportunities for Tlicho residents.

## **Stornoway files for creditor protection under the CCAA**

Stornoway Diamond Corporation announced today the corporation and its subsidiaries Stornoway Diamonds (Canada) Inc. , Ashton Mining of Canada Inc., and FCDC Sales and Marketing Inc. have applied today to the Superior Court of Quebec for protection under the Companies' Creditors Arrangement Act in order to restructure its business and financial affairs.

In connection with the CCAA filing, on September 8, 2019, the SWY Parties entered into a letter of intent with certain secured creditors under the bridge financing agreement entered into by the SWY Parties on June 10, 2019, which include Diaquem Inc. and certain buyers under the Amended and Restated Purchase and Sale Agreement entered into on October 2, 2018, as amended. Under the terms of the LOI, the Participating Secured Creditors have confirmed their intention to acquire, through an entity to be formed for this purpose, substantially all of the assets and properties of the SWY Parties, and to assume the debts and liabilities owing to the

Secured Creditors as well as the ongoing obligations relating to the operation of the Renard Mine, subject to certain limited exceptions. The LOI has been entered into in accordance with the terms of the sale and investment solicitation process announced in June 2019, as amended as of July 15, 2019.

The continued downward pressure on the market price for rough diamonds as well as a variety of other factors and circumstances, have contributed to the Corporation's inability to generate positive free cash flow in 2019, and to maintain an adequate level of working capital.

Trading in Stornoway's common shares on the Toronto Stock Exchange ("TSX") has been halted. View release here.

Also on September 9, the Stornoway announced it had been granted initial Companies' Creditors Arrangement Act order. In August, Stornoway receives notice of delisting review by TSX.

### **Seabridge donates \$10,000 to Team NT's 2020 Arctic Winter Games program**

*Reprinted from Northern News Services, James McCarthy, NNSL, September 3, 2019*

With the Western Canada Summer Games over for another quadrennial, the focus for Team NT now turns to the 2020 Arctic Winter Games.

It got a good head start last Friday thanks to Seabridge Gold.

Jane Howe, the NWT environmental manager for Seabridge Gold, and Brent Murphy, the company's vice-president of environmental affairs, presented a cheque for \$10,000 to Jack Duffy, Sport North's marketing and communications officer, at the Sport North offices that day. The money represents the first corporate donation to the operations leading up to the 2020 AWG for Team NT.

Murphy said the donation was a fit with the company's philosophy of giving back in the communities where they work.

"The Arctic Winter Games is an event which covers the entire NWT and we think that's a good way to give back," he said. "Doug Rentmeister (Sport North's Executive Director) has been poking at me for the last year or so and we're pleased to be able to do this. We're getting active again in the NWT and we felt this was a great event to support."

While most of the costs for Team NT will go toward getting the team outfitted and over to Whitehorse for the Games next March, there are the territorial trials which have to happen to figure out who will be making the trip.

Duffy said this donation will go toward helping out with the territorial trials and any other miscellaneous expenses.

"It's meant for the general preparations for the Games itself," he said. "There's the trials and getting people on flights to get them to trials, which can be really widespread sometimes and we know how difficult it can be to get flights in and out of communities at times. This will go toward things now and right to the end of the process."

“It’s for whatever they need it for,” added Murphy. “It’s what we wanted to do and it’s up to Sport North to decide on whatever they spend it on, we’ll be pleased with whatever comes from it.”

It may not be the last time Seabridge decides to help out the Team NT program as Murphy said donations are being done on an event-by-event basis.

“We’re certainly willing to entertain any donation requests but we will be monitoring and evaluating each request we receive on its merits,” he said.



*Jane Howe, left, NWT environmental manager for Seabridge Gold, and Brent Murphy, Seabridge Gold’s Vice-President of Environmental Affairs, right, present Jack Duffy, Sport North’s Marketing and Communications Officer, with a cheque for \$10,000 at the Sport North offices on Aug. 29. The donation will go toward Team NT’s operations for the 2020 Arctic Winter Games. James McCarthy/NNSL photo*

## **Osisko Metals launches fall 2019 exploration program at Pine Point**

Osisko Metals Incorporated is pleased to announce it has launched its fall 2019 exploration drilling program at the Pine Point Project in the Northwest Territories, Canada.

Highlights:

- Airborne gravity gradiometry survey completed and awaiting data processing
- Prioritized drill-ready targets defined from compilation of previous work
- 5000-meter drill program starting this week

Jeff Hussey, P. Geo., Osisko Metals President and CEO, commented: “We are excited to initiate our exploration program focused on new near-surface lead-zinc targets at Pine Point. Following extensive compilation work and advanced geological modelling, our exploration team has a better understanding of the structural controls associated to the distribution of lead-zinc mineralization in the 60-km long system. We have identified several high priority targets that were not explored by previous operators.”

“The exploration upside is quite substantial across the entire property. We strongly believe there remains multiple opportunities to significantly increase the resource base beyond our current Mineral Resource Estimate of 38.4 Mt grading 6.58% ZnEq (see note below).”

### ***Exploration Targets at Pine Point***

1.Orphan Drill Holes: A compilation of the historical drill hole data into a new database identified over 100 drill holes with significant mineralization, indicative of near-surface mineralizing systems that were not pursued by previous operators (See Table 1 in release for partial list). These holes are located outside of the current resource model.

2.Deeper Mineralization: The camp also hosts potential for mineralization in the deeper underlying Pine Point Formation (approximately 50-70 meters thick), which has seen less historical exploration. Analysis of the new drillhole database and resultant 3D modeling shows dolomite alteration, sulphide development and controlling structures to be present in this poorly explored formation that hosted the large, and previously mined X-15 deposit (historical production of 17,474,260 at 6.2% Zn, 2.00% Pb, Cominco Limited 1988).

3.Gravity and LIDAR Compilation: The company plans on drill testing priority gravity anomalies along favorable structural trends that could lead to the discovery of additional near-surface higher grade Prismatic deposits. The company’s innovative exploration approach includes the use of the LIDAR high resolution topographic survey flown in 2018. It was able to highlight structural controls and subtle circular collapse breccia structures that are indicative of prismatic deposits. Additionally, a 3D geological model was built from the newly compiled and re-coded digital drill hole dataset. All historical Cominco mine grids are now tied into survey base stations and one common coordinate system.

See release [here](#).

## New Mining North Works! video highlights Nunavut minerals industry

There's a [new Nunavut mining video](#) from the Chamber of Mines' Mining North Works! public awareness program! with a focus on Nunavut's mineral resources industry, provides information about the territory's mining and exploration operations. A key message of the video is that the industry offers many career opportunities.

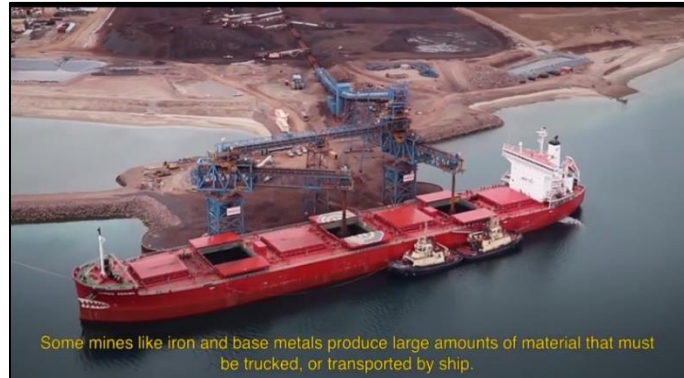
The 10-minute video demystifies the mineral resources cycle; a multi-step process spanning years, often decades, which begins with exploration and concludes with closure and reclamation. Keep in mind, throughout this process there's only one phase where a mining company gets to make money – production.

*MNW! Explore for More* also includes many visuals of Nunavummiut at work in mining. And there's stunning images of the territories four operating mines, Hope Bay, Mary River, Meadowbank (Amaruq), and the newest mine, Meliadine.

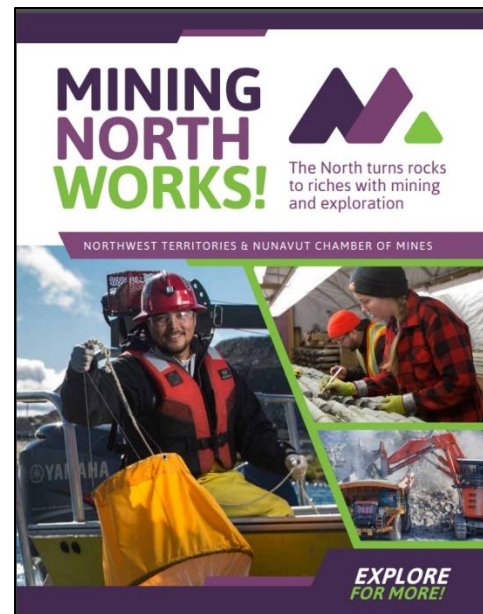
This product, the fourth produced under the MNW! banner, is the result of a partnership of the NWT & Nunavut Chamber of Mines, industry, governments, and various organizations.

Funding for the video was provided by the Federal Government's Canadian Northern Economic Development Agency in Nunavut.

Previous MNW! products include [www.miningnorthworks.com](http://www.miningnorthworks.com), career catalogues for NWT and Nunavut profiling industry workers and the [Mining North Works Explore for More](#) publication focuses on mineral resources in Canada's Northwest Territories and Nunavut and provides details on the many ways mining north works! It's a northern 'mining 101' with information about past, present, and potential future mines. The publication demystifies the mineral resources cycle – a process that goes from exploration through production to mine closure. The booklet also includes interesting facts about the North's exploration and mining industry.



Click the image above or [here](#) for new Mining North Works! video featuring Nunavut's mineral resources industry.



Click [here](#) for the Mining North Works! booklet – it covers 'all things mining' in the North.

## **Welcome new members!**

Please join us in welcoming the newest Chamber of Mines members!

- **Bird Heavy Civil Ltd.**, based in St. John's, Newfoundland, is an Indigenous-owned construction and building supply company which provides rental and project management services. Formerly, H.J. O'Connell, the company has decades of experience working in the northern mining. Contact – Darryl Gillingham, Vice-President, Industrial Development & Energy, [darryl.gillingham@bird.ca](mailto:darryl.gillingham@bird.ca); 709-726-9106; website – [www.bird.ca](http://www.bird.ca).
- **Orion Fire Distribution Limited**, based in Surrey, BC, is a supplier of promotional products and various other products to mine fire services. Contact – Ken Hansen, General Manager, [ken@orionfire.com](mailto:ken@orionfire.com); 604-372-0113; website – [www.orionfire.com](http://www.orionfire.com).
- **SEI Industries**, based in Delta, BC., manufactures products with applications related to the mineral resources sector. The company specializes in environmental services and providing equipment. Contact – Dev Saini, Marketing Coordinator, [dev@sei-ind.com](mailto:dev@sei-ind.com); 604-940-9566; website – [www.sei-ind.com](http://www.sei-ind.com).

## **Calendar of events**

- **2019 Geoscience Forum** – The 47th Annual Yellowknife Geoscience Forum will be held Tuesday, November 19 - Thursday, November 21, 2019 and is a joint initiative of the NWT & Nunavut Chamber of Mines and the NWT Government, Industry Tourism, & Investment. Abstracts are now being sought for the 2019 Geoscience Forum. Click [here](#) to get the details. For additional information, contact Conference Coordinator, Cheryl Wourms at the NWT & Nunavut Chamber of Mines, [conference@miningnorth.com](mailto:conference@miningnorth.com).
- **AME Roundup 2020** – Mark your calendars for AME mineral exploration Roundup 2020, January 20-23 at the Vancouver Convention Centre. For more information, visit [here](#).
- **Northern Lights 2020**, is a high-profile business and cultural showcase of Nunavut, Nunavik, and Labrador / Nunatsiavut hosted by the Baffin Regional Chamber of Commerce and the Labrador North Chamber of Commerce. It will be held at the Shaw Centre in Ottawa, Ontario, February 5 - 8, 2020. The four-day event is expected to attract 200 exhibitors and 1,200 delegates. For more information, visit [here](#).

## Member news releases this past month

- 3 September 2019 [North Arrow closes sale of Loki Diamond Project royalty for \\$266,000](#)
- 28 August 2019 [Agnico Eagle commemorates opening of Amaruq with \\$1M donation](#)
- 28 August 2019 [Kaizen Discovery grants stock options](#)
- 27 August 2019 [Osisko Metals launches fall 2019 exploration program at Pine Point](#)
- 26 August 2019 [Stornoway receives notice of delisting review by TSX](#)
- 22 August 2019 [NWT Government holds ground-breaking ceremony for Tlichó All-Season Road](#)
- 22 August 2019 [Blue Star receives final permits to commence drilling on Hood River concessions](#)
- 16 August 2019 [TMAC completes transaction with Maverix](#)
- 14 August 2019 [Grays Bay Road and Port a 'game changer' for Nunavut and Izok Corridor](#)
- 14 August 2019 [TMAC announces Q2 financial results](#)
- 14 August 2019 [TMAC enters royalty amendment with Maverix](#)
- 14 August 2019 [TMAC announces growth of Doris zone, results from Doris regional program](#)
- 13 August 2019 [NorZinc provides results for second quarter 2019](#)
- 13 August 2019 [Seabridge Gold files Q2 report to shareholders, financial statements and MD&A](#)
- 13 August 2019 [Mountain Province receives NASDAQ notification regarding minimum bid price](#)
- 7 August 2019 [North Arrow to raise \\$266,000 selling Loki royalty; completes till sampling program](#)
- 7 August 2019 [Osisko Metals releases exceptional flotation test work results at Pine Point](#)
- 6 August 2019 [Mountain Province Diamonds announces second quarter and half year 2019 results](#)
- 6 August 2019 [Sabina Gold & Silver reports continued high grade results at Nuvuyak discovery](#)
- 4 July 2019 [Silver Range announces shareholder holding in excess of 10% of share capital](#)
- 4 July 2019 [North Arrow reports start of drill program at LDG joint venture diamond project](#)
- 4 July 2019 [New kimberlite discoveries may add to future of Gahcho Kué Mine](#)

## Exploration & development news briefs

**Blue Star Gold Corp.** is pleased to announce it is in receipt of the Land Use License issued by the Kitikmeot Inuit Association and its water licence from the Nunavut Water Board. Licence No. KTL319C008 allows access to the Inuit Owned Lands for Hood River exploration camp and operations and to the Ulu mining lease and airstrip to support Blue Star's field programs and the Ulu reclamation planning studies. In addition, the new, amended water licence, 2BE-HRP1924, allows the company to conduct its drilling and camp activities.

With the permits and water licence in-hand, Blue Star is further pleased to announce it has mobilized field crews to construct its exploration camp to house the drill and support crews, its geologists and assistants and core logging and sampling facilities. It is intended that drilling and the surface work commence on or about August 28th, 2019.

Stephen Wilkinson, the company's CEO and President commented, "Our 2019 program will include 2,000 meters of diamond drilling and detailed surface mapping and sampling on the Hood River property, focused on the lands immediately north of the Ulu mining lease. We intend to advance the North Fold Nose gold zone and the associated gold mineralization on the Hood River concessions and to demonstrate the potential of new and accretive gold resources."

**Kaizen Discovery Inc.** announced today that, pursuant to its Stock Option Plan, it has granted incentive stock options to its independent directors to purchase up to an aggregate of 1,600,000 common shares in the capital stock of the company.

The options are exercisable at a price of C\$0.05 per share and will vest 33 1/3% six (6) months after the date of the grant, with an additional 33 1/3% vesting twelve (12) months after the date of grant and the remaining 33 1/3% vesting two (2) years after the date of grant. The options expire on August 25, 2024.

**North Arrow Minerals Inc.** is pleased to provide an update on its Loki Diamond Project, including the [sale of 0.5% royalty interests](#) in the Project for \$266,000. The Loki Project is located in the Lac de Gras region of the Northwest Territories, approximately 30 km southwest, and 24 km west of the Ekati and Diavik diamond mines, respectively, and immediately adjacent to the west of North Arrow's LDG Joint Venture Diamond Project with Dominion Diamond Mines.

**North Arrow Minerals Inc.** has reached an agreement with Umgeni Holdings International Limited ("Umgeni") under which Umgeni has agreed to increase its royalty interests in the Loki Project from 1.5% to 2.0% in exchange for payment of \$266,000 to North Arrow. The royalties consist of net smelter return royalties on base and precious



metals and a gross overriding royalty on diamonds. Umgeni is a private company of which Christopher Jennings, a director of North Arrow, is a beneficiary of the sole shareholder. Closing of the agreement with Umgeni is subject to the receipt of all required regulatory approvals including approval of the TSX Venture Exchange.

North Arrow also announces completion of a summer till sampling program at the Loki Project. A total of 190 samples were collected and are presently being shipped to a laboratory for processing and recovery of kimberlite indicator minerals. Sample results will be used to prioritize targets for ground geophysical surveys and exploration drilling. In addition to the funds raised by the royalty sale to Umgeni, this exploration is also supported by a grant from the Northwest Territories' Mining Incentive Program.

Ken Armstrong, President and CEO of North Arrow, commented, "Proceeds from the royalty sale announced today, combined with the NWT Mining Incentive Program grant, provide for the non-dilutive financing of continued exploration at the Loki Diamond Project. We believe the Lac de Gras region remains highly prospective for the discovery of new diamond deposits, as highlighted by North Arrow's recent discoveries of new kimberlites at Loki (April 5, 2018) and the LDG joint venture (July 8, 2019). The current till sampling program has filled some crucial gaps in the Loki Project's sampling database and the results will be important in prioritizing targets for drilling in the winter of 2020."

### Chamber of Mines' Social Media

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Website: <http://www.miningnorth.com>

## 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 ULC</a> , and Dr. Stewart Blusson	Diamonds	Canada's first and largest diamond mine, 310 km. NE of Yellowknife. Open pit and underground. Mine life potentially to 2041. Workforce in 2017, 1,734. The Ekati mine consists of two joint ventures, the core zone joint venture and the buffer zone joint venture, in which the company has interests 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.	Media release, 22 March 2019 Canadian Championship Dog Derby and Dominion Diamond announce race schedule
<a href="#">Diavik Mine</a>	<a href="#">Rio Tinto</a> (operator) & <a href="#">Dominion Diamond Mine ULC</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 2017, 1,233. New A21 open pit development will cost US\$350m over 4 years. A21 commence ore production in the first half 2018. Reserves at Dec 31, 2017 were 15.1 million tonnes at 2.8 carats/tonne for total of 42.5 million carats.	Media release, 1 October 2018 Diavik Stars of the Arctic dazzle in rough diamond tender
<a href="#">Gahcho Kué Mine</a>	<a href="#">De Beers Canada Inc</a> (51% and operator) and <a href="#">Mountain Province Diamonds Inc.</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 2017, 483. Plan is for three open pits to mine 5034, Hearne and Tuzo ore bodies producing average of 4.5 million carats/year. Hearne began production in April 2018. 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.	Social media post 31 July 2019 De Beers Canadian team wins inclusion and diversity award  Media release 25 July 2019 De Beers interim financial results for 2019  Media release 23 July 2019 De Beers Group carbon capture project receives research funding from natural resources Canada's clean growth program  Media release 4 July 2019 New kimberlite discoveries may add to future of Gahcho Kué Mine
<a href="#">Prairie Creek</a>	<a href="#">NorZinc Ltd.</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. In 2017, the Mackenzie Valley Environmental Impact Review	Media release 13 August 2019 NorZinc provides results for second quarter 2019

			<p>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 Limited.	Cobalt-gold-bismuth-copper	<p>Proposed open pit and underground mine located 50 km NE of Whatì. Estimated mine jobs: 150. Mine life, 20 years. In March 2018, The Mackenzie Valley Environmental Impact Review Board has recommended that the Tlicho all-season road be approved. The approval is subject to measures designed to mitigate potential environmental, social, and cultural impacts. The Government of the Northwest Territories, Department of Transportation and Tlicho Government received this conditional approval on March 29, 2018, enabling construction of the 97-kilometre Tlicho Road to connect the community of Whatì to the territorial highway system.</p>	Media release 22 August 2019 NWT Government holds ground-breaking ceremony for Tlicho All-Season Road
Kennady North	Mountain Province Diamonds Inc.	Diamonds	<p>Kennady North project comprises 13 leases and claims immediately to north and west of 4 leases controlled by the Gahcho Kué Joint Venture (see above). Project aims to identify a resource along the Kelvin – Faraday kimberlite corridor of between 12 and 15 million tonnes at a grade of between 2 and 2.5 carats per tonne and to identify new kimberlites outside of the corridor. The Kelvin – Faraday corridor is a target for further exploration. 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>Media release 13 August 2019 Mountain Province receives NASDAQ notification regarding minimum bid price</p> <p>Media release 6 August 2019 Mountain Province Diamonds announces second quarter and half year 2019 results</p>
Indin Lake	Nighthawk Gold Corp	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 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)</p>	Media release 31 July 2019 Nighthawk expands drilling at Colomac zones 2.0 and 3.0

Pine Point	Osisko Metals Incorporated	Lead-zinc	Proposed open pit mine east of Hay River, NT. 10 open pits mined sequentially with 321 jobs. PEA quotes 13-year mine life. Osisko Metals has begun active exploration to advance the project. The objective of the 2018 drill program is to upgrade approximately 50 million tonnes of unclassified near-surface historical resources (Cominco Ltd.) to NI43-101 Inferred Mineral Resources as quickly as possible in areas amenable to open pit mining. The 2018 program consists of approximately 700 drill holes (323 now completed) within the Main Trend, a 20- kilometre long, portion of the PPMC that is located on the south shore of Great Slave Lake in the NWT, near infrastructure and paved highway access and with 100km of haulage roads already in place.	Media release 27 August 2019 Osisko Metals launches fall 2019 exploration program at Pine Point  Media release 7 August 2019 Osisko Metals releases exceptional flotation test work results at Pine Point  Media release 6 August 2019 Sabina Gold & Silver reports continued high grade results at Nuvuyak discovery
Courageous Lake	Seabridge Gold Inc.	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.	Media release 13 August 2019 Seabridge Gold files Q2report to shareholders, financial statements and MD&A
Selwyn Project (Howard’s Pass Project)	Selwyn Chihong Mining Ltd.	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.
Nechalacho	Avalon Advanced Materials Inc.	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.	Media release 25 June 2019 Avalon completes collaborative development agreement on Nechalacho Rare Earth Elements Project, Yellowknife, NWT

## Mines & promising Nunavut mine projects

The following table describes leading mineral development projects in Nunavut.

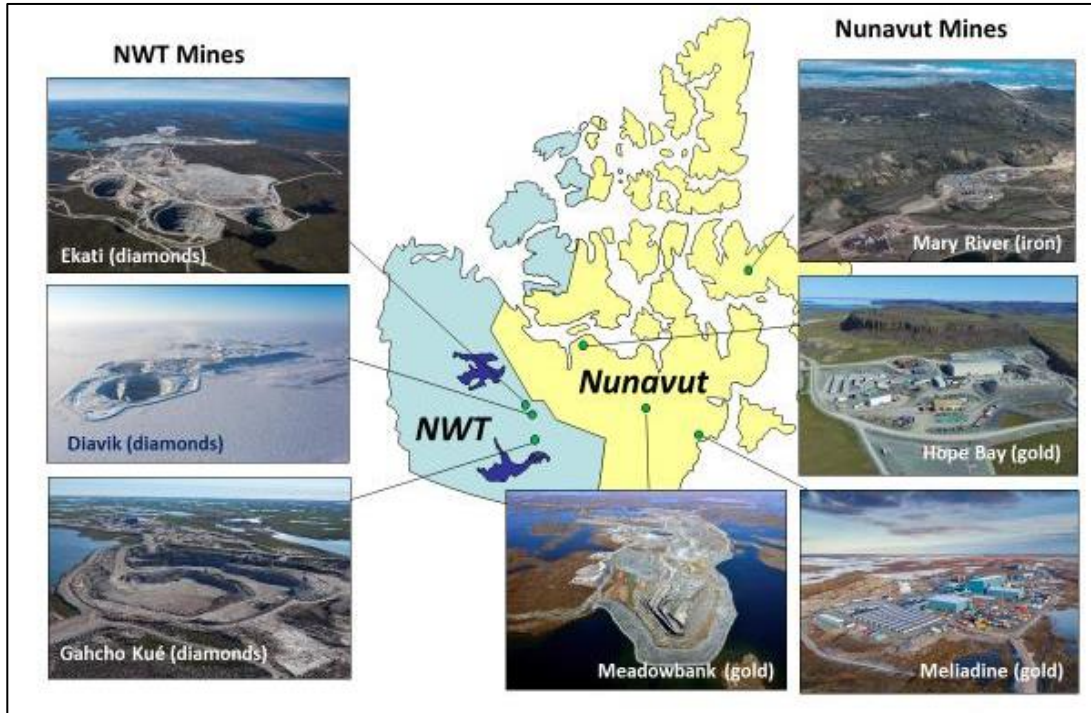
Project	Owner(s)	Commodity	Description	Status
<a href="#">Meadowbank Gold Mine</a>	<a href="#">Agnico Eagle Mine Ltd.</a>	Gold	In operation since 2010. Open pit mine located in the Kivalliq Region, 300 km west of Hudson Bay and 70 km N of Baker Lake. Mine jobs: 775 AEM announced they will develop Amaruq satellite deposit, 50km from mine site and add 7 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.	Media release 28 August 2019 Agnico Eagle commemorates opening of Amaruq with \$1M donation
<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. The 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.	Media release 17 April 2019 Baffinland employees ratify a partnership agreement with the International Union of Operating Engineers – Local 793  Media release 16 April 2019 Baffinland supports successful technical meetings for phase 2 permitting process
<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.	Media release 16 August 2019 TMAC completes transaction with Maverix  Media release 14 August 2019 TMAC announces Q2 financial results  Media release 14 August 2019 TMAC enters royalty amendment with Maverix  Media release 14 August 2019 TMAC announces growth of Doris zone, results from Doris regional program
<a href="#">Meliadine Gold Mine (Mine began commercial production May 14, 2019)</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. The high-grade Meliadine gold project has 3.4 million ounces of gold in proven and probable reserves* (14.5 million tonnes at .32 g/t) and a large mineral resource.	Media release 30 May 2019 Agnico Eagle achieves commercial production at the Meliadine Mine
<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	Media release 18 July 2019 Sabina Gold & Silver continues to expand Nuvuyak discovery with strong gold values over broadly mineralized iron formation

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			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. EA complete	
<a href="#">Kiggavik</a>	<a href="#">Orano Canada Inc.</a>	Uranium	Proposed uranium mine 80 km W of Baker Lake. Estimated Construction jobs: 750 Estimated mine jobs: 600	25 July 2016, INAC, on behalf of responsible ministers for authorizing if Kiggavik Project should or should not proceed, accept NIRB's determination it not proceed at this time.
<a href="#">Izok Corridor Project</a> (with High Lake & Hood River deposits)	<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	Media release 14 August 2019 Grays Bay Road and Port a 'game changer' for Nunavut and Izok Corridor
<a href="#">Chidliak</a>	<a href="#">De Beers Group</a>	Diamonds	Located 120kms NE of Iqaluit, Nunavut, and 180 km S of Pangnirtung. 74 kimberlites discovered with 8 potentially economic on 317,213-hectare site. Positive Phase One PEA, updated May 2018 highlights: <ul style="list-style-type: none"> <li>•After-tax payback of 2.2 years</li> <li>•Life of mine 13 years</li> <li>•Resource at CH-6 and CH-7 exceeds 22 million carats</li> <li>•Pre-production capital requirement ~\$455m, incl \$95m for access road from Iqaluit, \$55m in contingency</li> <li>•Pre-tax NPV(7.5) of \$1069 million and a pre-tax IRR of 38.6%</li> <li>•After-tax NPV(7.5) of \$679 million and an after-tax IRR of 31.1%</li> <li>•Average LOM strip ratio of 6.6:1 (average across the combined CH-6 and CH-7 open pits); Mining to a depth of 300 mbs at CH-6</li> </ul>	Media release 4 July 2019 New kimberlite discoveries may add to future of Gahcho Kué Mine
<a href="#">Angilak</a>	<a href="#">ValOre Metals Corp.</a> (formerly Kivalliq Energy)	Uranium	340,268-acre property located SW of Baker Lake; Hosts the high-grade Lac 50 Trend deposit	Media release, 14 December 2018 ValOre defines new gold in till target areas and extends geophysical coverage to 110 km on Baffin Island, Nunavut  Media release, 3 December 2018 ValOre announces rights offering
<a href="#">Naujaat Diamond Project</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.	Media release, 3 September 2019 North Arrow closes sale of Loki Diamond Project royalty for \$266,000  Media release 7 August 2019 North Arrow to raise \$266,000 selling Loki royalty; completes till sampling program
<a href="#">Committee Bay Gold Project</a>	<a href="#">Auryn Resources Inc.</a> (purchased North Country Gold Corp.)	Gold	<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>	Media release 11 July 2019 Auryn Closes \$1.9 million flow-through funding

Project maps

*The northern mining industry's 7 operating mines*



*We are surrounded by even more potential*

