



# Northern Mining News

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## From the Executive Director ...

This past month has seen two of our members – De Beers and Avalon – sign impact benefit or participation agreements with two Aboriginal groups, the Yellowknives Dene and the Northwest Territory Métis Nation. Their projects are move ever closer to construction decisions.

NRCan has released its semi-annual statistics on exploration and deposit appraisal investment, and they show investment still languishing and generally dropping in Canada. However, as the annual survey from E&MJ reveals, there seems to be growing evidence and optimism that this is the year we will see change.

The Fraser Institute has also released its annual global survey of mining companies. Our three northern territories are virtually unchanged in their status from last year, with Yukon tops, and NWT and Nunavut some ways back. This is not a reflection on advanced project activity however, and several proposed mines in both territories continue to progress through the approvals and licensing processes.

NWT Devolution is moving closer, and the NWT Government has issued a document with their principles for land management once they take over responsibility on April 1. Exciting times for the NWT!

Happy reading. ... TWH

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

## **Avalon and Northwest Territory Métis Nation enter Participation Agreement**

On February 14, Avalon Rare Metals Inc. and the Northwest Territory Métis Nation (NWTMN) announced that they had entered into a Participation Agreement for the Nechalacho Rare Earth Elements Project, at Thor Lake, in the NWT. The agreement was signed in a public ceremony in Toronto, during the PDAC Convention.

The Participation Agreement provides for training, employment, and business opportunities for the NWTMN related to the Project and associated facilities in the Northwest Territories. The Participation Agreement also contains measures to mitigate environmental and cultural impacts that may result from the project development.

Other aspects of the Participation Agreement include establishment of an implementation committee to continue interactions between Avalon and NWTMN, undertakings by Avalon regarding job training and scholarship participation for NWTMN members, co-ordination between Avalon and NWTMN on employment opportunities for NWTMN members, NWTMN participation in the environmental monitoring for the Project, protection of NWTMN traditional knowledge and culture, annual implementation capacity payments which commence when construction is commenced, and NWTMN undertakings regarding activities in support of the Project.

Gary Bailey, President of the NWTMN stated, "It's an amazing feeling and a wonderful pleasure to be in business with a far sighted, twenty-first century company like Avalon who recognizes our government, our people as a Nation, our friendship as valuable and our partnership as essential."

Don Bubar, Avalon's President and CEO commented, "Entering into the Participation Agreement with the NWTMN is another important step forward for the Nechalacho Project, following the Ministerial approval of the Project's Report of Environmental Assessment. We are committed to sharing the benefits of development with our aboriginal partners and we welcome the participation of the NWTMN in the Project."

In conjunction with the Participation Agreement, subject to regulatory approval, the Company has agreed to issue to the NWTMN 10,000 common shares of the Company, and to grant an aggregate of 20,000 non-transferable common share purchase warrants of the Company. The common shares are to be issued on the effective date of the Participation Agreement and will be subject to certain statutory restrictions on resale, as well as contractual restrictions on transfer pending receipt of certain regulatory permits and approvals for the Project. The



*Gary Bailey, NWTMN President shakes hands with Avalon President Don Bubar at Participation Agreement signing in Toronto.*

common share purchase warrants will be issued in two equal instalments of 10,000 warrants upon the Project meeting certain milestones, will have a term of five years and will have an exercise price based on the then current market price of the Company's common shares at the date of issue of the warrants.

### **Gahcho Kué JV and Yellowknives Dene sign Impact Benefit Agreement**

On February 18, De Beers Canada Inc. and Mountain Province Diamonds announced that De Beers, as Operator of the Gahcho Kué Joint Venture Project, signed in Dettah an Impact Benefit Agreement (IBA) with the Yellowknives Dene First Nation for the proposed Gahcho Kué Mine, 280 km northeast of Yellowknife. The agreement puts in place a framework for De Beers and the Yellowknives Dene First Nation to work together over the life of the mine and it enables participation by the Yellowknives Dene First Nation in the opportunities that the mine provides.

"The Gahcho Kué Project is located within Chief Drygeese Territory. Our members have lived on the land throughout our traditional territory, hunting, fishing and trapping, since time immemorial," said Chief Edward Sangris. "This agreement provides certainty that training, employment and business opportunities are made available to Yellowknives Dene members and it includes financial provisions necessary for ensuring fair participation in opportunities the project will provide."

"We already have an established relationship with the Yellowknives Dene First Nation for our Snap Lake Mine," said Glen Koropchuk, Chief Operating Officer for De Beers. "This Impact Benefit Agreement builds on that existing relationship and it confirms our commitment to work together for the benefit of Yellowknives Dene First Nation members as we advance the Gahcho Kué mine. I would like to congratulate both negotiating teams on work well done."



From left: YKDFN Councillor Bobby Drygeese, Councillor Paul Betsina, Chief Ernest Betsina, De Beers Canada Chief Operating Officer Glen Koropchuk, Chief Edward Sangris, Councillor Philip Liske, Councillor Mary Rose Sunberg and Councillor Jonas Sangris celebrate the signing of an Impact Benefit Agreement for the Gahcho Kué Project.

Gahcho Kué will employ close to 700 people during the two years of construction and close to 400 people during its operational phase. The Gahcho Kué life of mine is approximately 11 years and will mine about 31 million tonnes of ore containing an estimated 49 million carats.

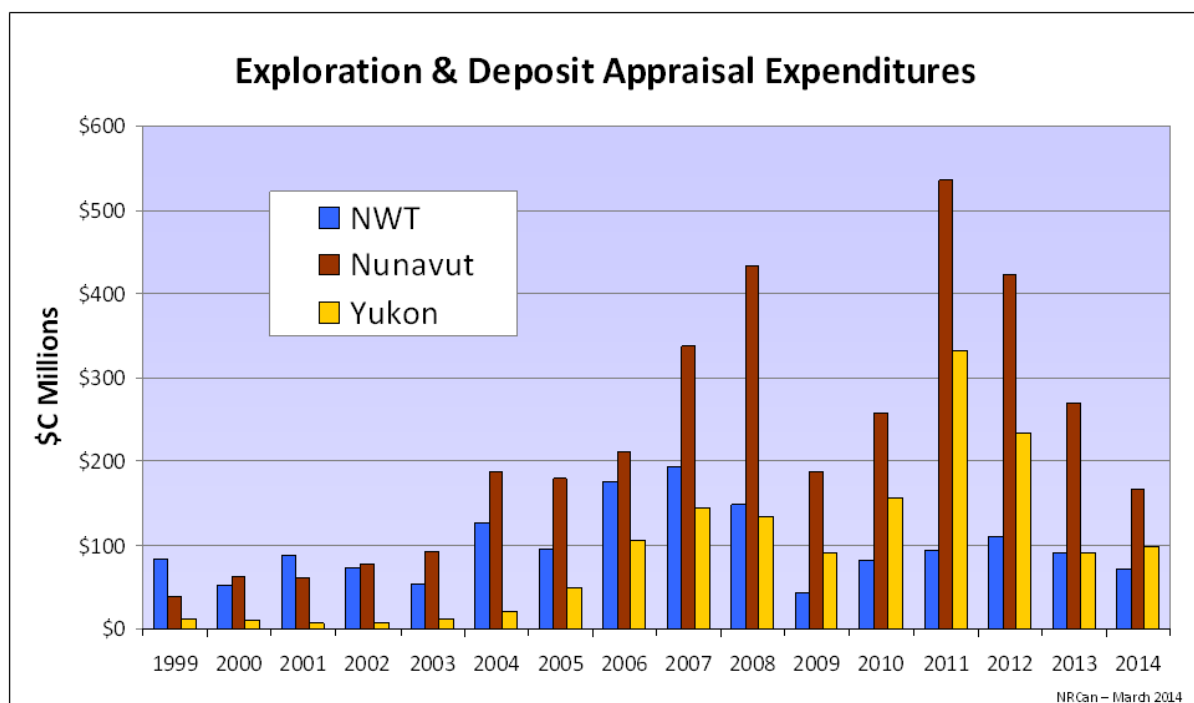
### Northern mineral investment continues to languish – is end in sight?

Natural Resources Canada's (NRCan) survey of mineral exploration companies forecasts continued low investment in all three northern territories. NRCan's latest semi-annual report *Exploration and Deposit Appraisal Expenditures, by Province and Territory* provides companies' intentions to spend the following in 2014:

- \$71.5 million in the NWT, a decrease of \$18.5 million (21%) from 2013;
- \$166.5 million in Nunavut, a decrease of \$103.7 million (38%) from 2013; and
- \$97.7 million in Yukon, an increase of \$7.8 million (9%).

For Canada, total spending intentions for 2014 have decreased to \$2.15 billion, down \$165.2 million (14%) from 2013. As a share of this projected Canadian investment, Nunavut is in 5<sup>th</sup> place, the Yukon is in 6<sup>th</sup> place and the NWT is in 8<sup>th</sup> place.

"These continue to be challenging times in the global market place for the exploration and mining industry, and we are seeing even lower spending intentions than NRCan projected last fall," said Brooke Clements, President of the NWT & Nunavut Chamber of Mines. "However, we are hopeful that the market is slowly turning around, and that we will see increased spending later this year. In the NWT and Nunavut, we continue to have projects advancing through the regulatory process, and several have begun early stage site development work. In addition the federal and territorial governments are taking steps to attract investment through regulatory improvements, infrastructure planning, geoscience investment, training development, active marketing, and tax incentives." The NRCan source data can be downloaded by clicking [here](#).





## **Fraser Institute Annual Survey – Alberta tops, Quebec sinking fast, North same**

On March 3, the Fraser Institute released their annual global survey of mining companies.

In Canada, Yukon ranked in 3<sup>rd</sup> place (first place last year), NWT ranks 10<sup>th</sup> (last year was 9), Nunavut ranks 11<sup>th</sup> (same last year). In essence, not much change.

Globally, Yukon ranks 8<sup>th</sup> with NWT in 25<sup>th</sup> and Nunavut in 27<sup>th</sup> place. There is relatively little change in competitive position for all three northern territories.

For the second consecutive year, Alberta ranked first in Canada and third worldwide in the survey, which is based on input from 690 mineral exploration and development company executives. This year's survey spotlighted 112 jurisdictions worldwide.

"Miners praise Alberta for its transparent and productive approach to mining policy. The province offers competitive taxation regimes, sound legal systems, and relatively low uncertainty around land claims. That's what miners look for," said Kenneth Green, Fraser Institute senior director of energy and natural resources and director of the [Survey of Mining Companies 2013](#).

Three Canadian jurisdictions—Alberta (3), New Brunswick (7), and Newfoundland and Labrador (9)—ranked in the top 10 worldwide, followed by Saskatchewan (12), Yukon (19), Quebec (21), Manitoba (26), Ontario (28), Nova Scotia (29), British Columbia (32), Nunavut (44), and the Northwest Territories (47).

From 2007 to 2009, Quebec topped the survey, then dropped to 5<sup>th</sup> in 2011, 11<sup>th</sup> in 2012 and finally 21<sup>st</sup> worldwide in 2013, due in part to amendments to Quebec's Mining Act and recent tax policy changes.

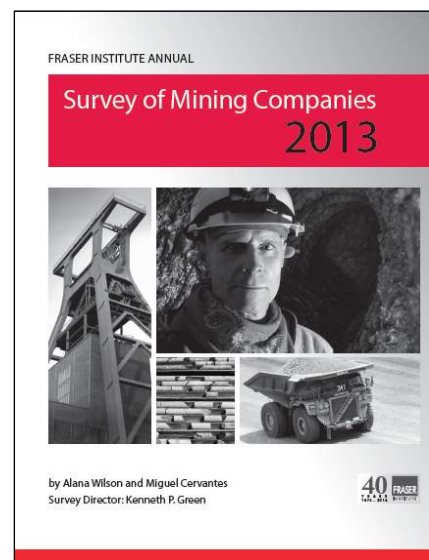
"If Quebec wants to renew confidence in the global mining sector, it should reduce red tape, minimize the risk associated with policy changes and tax increases, and respect negotiated contracts," Green said.

The top 10 most attractive jurisdictions for investment worldwide include (from the top) Sweden, Finland, Alberta, Ireland, Wyoming, Western Australia, New Brunswick, Nevada, Newfoundland & Labrador, and Norway.

"The confidence mining executives have in Sweden and Finland, for example, proves that it's possible to enact sound environmental protections and still maintain a successful mining industry," Green said.

The 10 least attractive jurisdictions for investment worldwide (from the bottom) are Kyrgyzstan, Venezuela, Philippines, Argentina—La Rioja, Angola, Argentina—Mendoza, Zimbabwe, Ivory Coast, Indonesia and Madagascar.

The exploration budgets reported by companies participating in the survey totalled US\$4.6 billion in 2012 and US\$3.4 billion in 2013.



The Fraser Institute is an independent, non-partisan Canadian public policy think-tank. Download the report directly from [here](#).

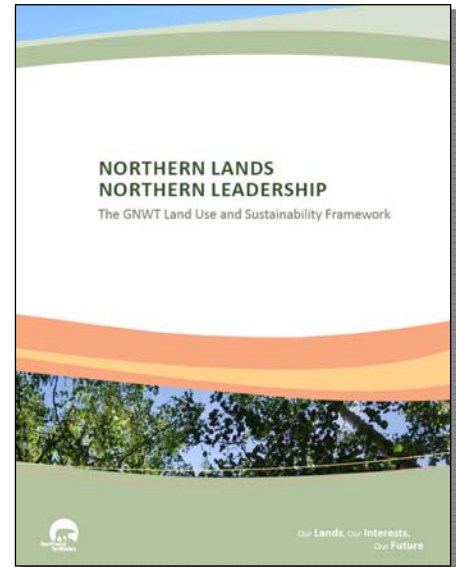
### NWT Government releases land use guidance document

On February 24, the Premier of the NWT Bob McLeod tabled the NWT's *Northern Lands, Northern Leadership: The Government of the Northwest Territories Land Use and Sustainability Framework*. Government claims this is a significant achievement and a major step in its final preparations to assume new responsibilities for public lands, water and resources on April 1<sup>st</sup>.

It is based on several years work and collaboration with Aboriginal governments and stakeholders in land use and conservation and reflects the special relationship that Northerners have with the land and the environment.

Principles are set out in the Land Use Sustainability Framework that government claims will help achieve its vision, and they want decisions that will be:

- balanced and sustainable and consider ecological, social, cultural and economic values;
- responsible and responsive, made in the context of sound environmental stewardship;
- respectful of Aboriginal and treaty rights as well as third-party land interests and legal rights;
- informed by strong and respectful relationships with Aboriginal governments and Canada.
- relevant, made by Northerners while providing residents with meaningful engagement and input;
- coordinated and collaborative, involving the relevant government departments, external organizations and agencies, as well as neighbouring jurisdictions;
- fair and equitable, recognizing that responsibilities for environmental stewardship and creation of resource opportunities should be shared equitably across all regions of the Northwest Territories.



The NWT Government is also committed to transparency and accountability in its decision-making processes, ensuring they are consistent and communicated.

The Land Use and Sustainability Framework is one part of a broader legislative and policy framework that the NWT government has been putting in place to ensure that we are ready to manage our new authorities and responsibilities. That broader framework includes existing territorial legislation like the Commissioner's Lands Act, Area Development Act, Community Planning and Development Act and Environmental Protection Act. Our legislative framework will continue to operate consistent with our obligations in settled land claims and complement

the management structures built within those agreements and in conjunction with federal legislation, such as the Mackenzie Valley Resource Management Act.

Visit: <http://news.exec.gov.nt.ca/robert-r-mcleod-northern-lands-northern-leadership/>

Download the framework document [here](#).

### **Resource revenue—sharing arrangements with Aboriginal people**

A document produced by the Library of the Parliament of Canada called *HillNotes*, provides an insight into resource revenue sharing with Aboriginal Canadians.

The federal government forecasts that, in the coming decade, investments of more than \$650 billion will be made in natural resource projects, a majority of which will occur on or near Aboriginal traditional lands. Whether these projects proceed, and under what conditions, increasingly depends on the level and quality of Aboriginal participation.

Recent court decisions have required governments to consult and accommodate Aboriginal interests when contemplating resource developments on traditional territories. The rulings suggest that Aboriginal people have the legal leverage to delay or even halt development until their legal interests are meaningfully reconciled with non-Aboriginal interests.

In this regard, resource revenue sharing is seen as a critical component, both by industry leaders and Aboriginal groups, for addressing Aboriginal interests and providing a degree of certainty for investment and development to occur.

Across Canada, federal, provincial and territorial governments have negotiated a variety of arrangements with Aboriginal groups to share public revenues – that is, taxes and royalties – generated from resource development.

These initiatives, which are distinct from the more common impact and benefit agreements between private sector project proponents and Aboriginal groups, are described in this *HillNote*.

Several Federal land claims agreements provide for a share of resource revenues. Most northern land claims agreements follow a standard formula, capping the total royalty benefit; under some agreements, beyond a certain threshold, the royalty income is taxable. None of the agreements stipulates the purpose for which the funds must be used. See the Table below.

In 2003, the Government of Canada and the Deh Cho First Nations concluded an Interim Resource Development Agreement, providing the Deh Cho with 12.25% of the first \$2 million in royalties and 2.45% of any additional royalties. Although revenues are to be paid out once a final land claims agreement is concluded, the Deh Cho can access up to 50% of the annual total for economic development purposes to a maximum of \$1 million.

Most recently, the **Government of the Northwest Territories** has committed to sharing up to 25% of its resource revenues with participating Aboriginal governments upon conclusion of its devolution agreement. These revenues would be in addition to the resource revenue—sharing provisions under existing land claims agreements.

**Table 1 – Resource Revenue-Sharing Provisions Under Northern Land Claims Agreements**

Agreement	Initial Share for Aboriginal Signatories	Secondary Share for Aboriginal Signatories	Threshold for Taxable Royalties
Umbrella Final Agreement with Yukon First Nations	50% of first \$2 million in royalties	10% of additional royalties	-
Gwich'in and Sahtu final agreements	7.5% of first \$2 million in royalties	1.5% of additional royalties	Above \$3 million
Tlicho final agreement	10.429% of first \$2 million in royalties	2.086% of additional royalties	Above \$4.172 million
Labrador, Nunavut and Nunavik Inuit final agreements	10.429% of first \$2 million in royalties	5% of additional royalties	-

A number of Canadian jurisdictions have taken steps to develop governance frameworks and share revenues generated from resource development with Aboriginal communities. However, a consensus around the principles and guidelines for a harmonized and consistent approach to resource revenue sharing across jurisdictions does not yet exist. Unlocking Canada's full resource potential may require further efforts in this regard.

Click [here](#) to download the original *HillNote* document.

## Is 2014 the year industry touches bottom and begins to regain traction?

***Harsh global economics have dragged investment levels from boom to bust in many sectors. However, 2014 may be the year the industry touches bottom and begins to regain economic traction.***

A publication by *E&MJ Engineering and Mining Journal* shared with delegates attending the annual PDAC Convention provides some insights into the current mining marketplace, and provides some optimism that industry spending is slowly turning around.

*Only 95 new projects, with a total projected cost of \$38 billion, were registered in Raw Material Group's mines/projects database in 2013. This compares with 113 projects (valued at \$47 billion) in 2012 and the peak year of 2010, when 167 projects worth \$115 billion were reported. Historically, these figures have proven to be reliable leading indicators of future mining industry capital expenditure.*

*The rate of decline in new project announcements eased, however, in 2013. This suggests that the slowdown in mining investments will start to bottom-out this year or next. (There has, historically, been a time lag of one or two years.)*

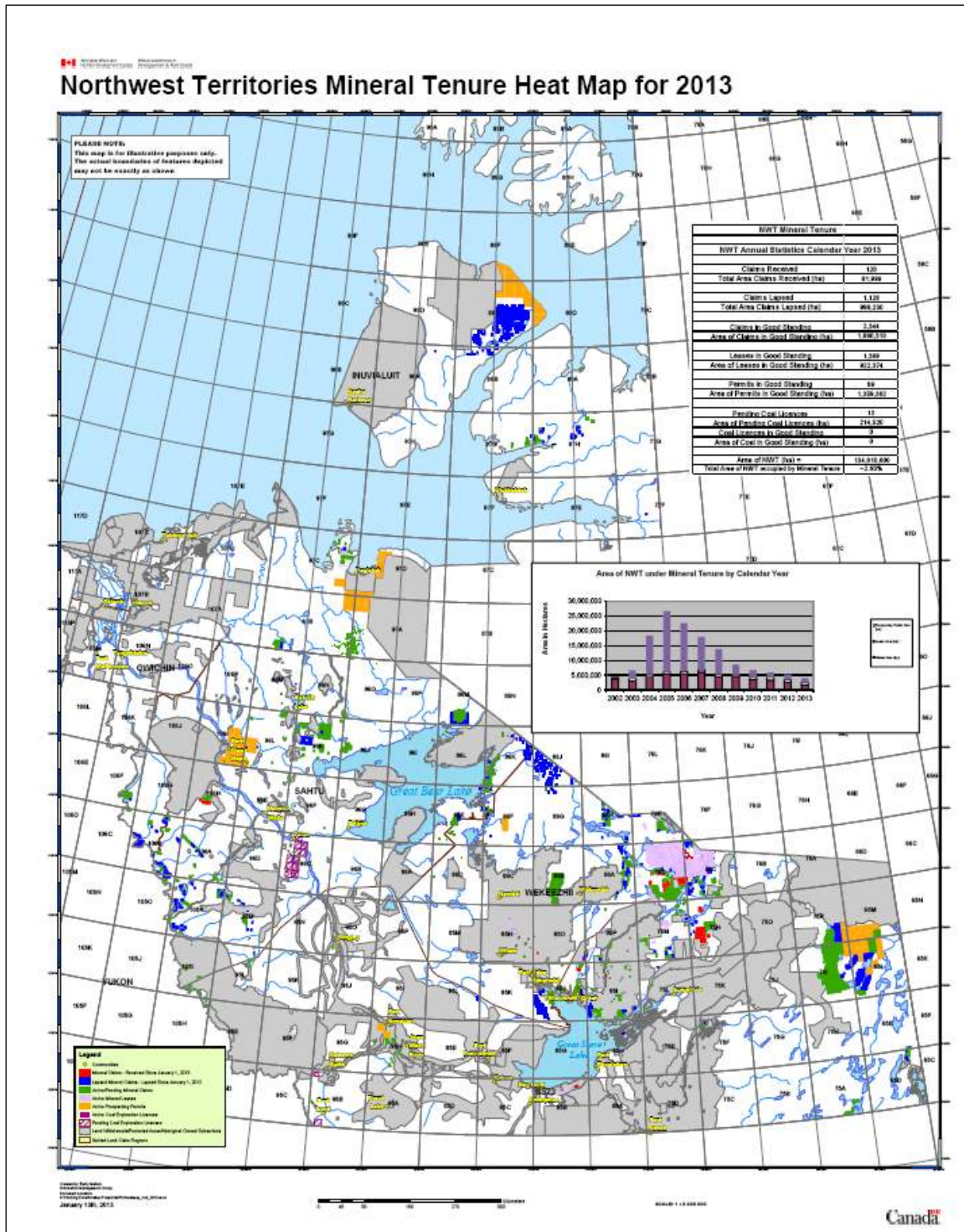
Click [here](#) to read the excellent story.





## NWT Mineral Tenure Heat Map – let's heat it up!

The annual “heat map” created by the Federal government provides information on mineral tenure activity in the NWT in 2013. Tenure continues to fall, and details can be seen by clicking [here](#) or on the image below to view a higher resolution version.



## Diavik's new book celebrates 10 years of milestones

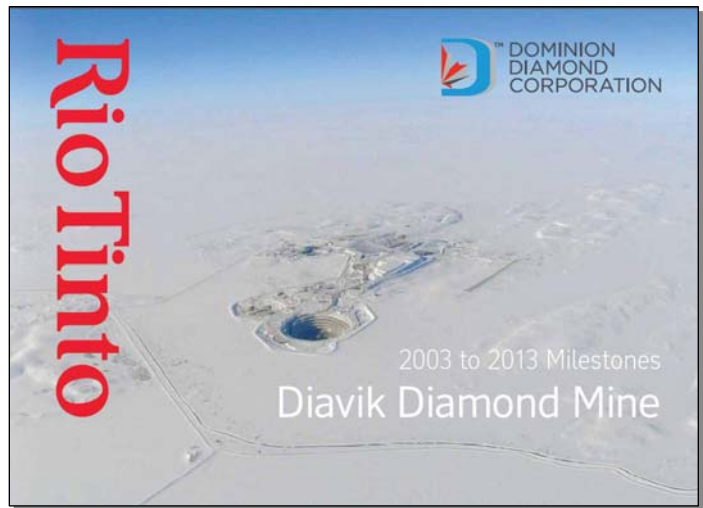
In 2013, Diavik completed its first decade of operations. To celebrate the accomplishment, Diavik has produced a book that is a testament to the hard work and dedication of all involved.

President Marc Cameron's *Message* says it all:

*Diavik operates in one of the most challenging environments in the world and yet, time and time again, our people have embraced the challenges and found smart solutions. I am extremely proud of the dedication, professionalism, teamwork, and commitment to success that everyone has demonstrated. I have seen first-hand how our people go the extra distance to make Diavik the best it can be and, therefore, a significant industry leader.*

*The pages that follow showcase many of our accomplishments since 2003, including our grand opening, which celebrated the work required to set us up as a world-class diamond mine, the extremely difficult and costly ice road recovery program of 2006, all the work to prepare for underground mining, our wind energy project, our numerous safety milestones, and the many other recognitions our workforce has achieved.*

*The most important milestone is our safety record, which has allowed every employee to go home to their families at the end of their rotation. This is, and always will be, our greatest accomplishment and one that we must continue to maintain during the next 10 years of operation.*



Download and read the book by clicking [here](#) or on the thumbnail.

## Harper first PM ever to participate in PDAC Convention

Prime Minister Stephen Harper participated in the Prospectors and Developers Association of Canada 2014 International Convention, Trade Show and Investors Exchange, delivering opening remarks and engaging in a moderated question and answer (Q&A) session. He is the first Canadian Prime Minister to ever attend the event, a testament to industry's importance to Canada.

During the speech and Q&A session, the Prime Minister focused on the strength of the economy and on measures that our Government is taking to help Canadian businesses that are engaged in the mining/extractive industries flourish both at home and abroad.

Some of the measures highlighted included support for junior mineral exploration in Economic Action Plan 2014, Responsible Resource Development and the streamlining of the review process for major economic projects, and ensuring the sector has highly-skilled workers by

implementing the Canada Job Grant and apprenticeships. The Prime Minister also discussed our Government's unprecedented efforts to increase access to international markets, including the agreement in principle reached with the European Union on a comprehensive trade agreement that will greatly benefit Canadian businesses.

### **Quick Facts**

- In 2012, nearly 400,000 Canadians were employed in mineral extraction and mining support activities in communities across the country.
- Canada is one of the world's leading mining nations. According to data from SNL Metals & Mining, Canadian-headquartered mining and exploration companies have accounted for the largest share of global exploration spending every year since 2002.
- Since 2006, the Mineral Exploration Tax Credit, along with the basic Flow-Through-Shares program, has helped mining companies, mainly juniors, raise over \$5 billion for exploration.
- Hundreds of mineral and energy resource projects are underway or planned over the next 10 years, representing a total potential investment of \$650 billion.
- To maximize the value that Canada draws from its natural resources, our Government has introduced significant system-wide improvements to achieve the goal of "one project, one review" in a clearly defined time period, streamlined the review process for major economic projects, enhanced consultations with Aboriginal peoples, and strengthened environmental protection and pipeline and marine safety.

### **Some of the Prime Minister's Quotes**

"Canada is one of the world's leading mining nations. The sector employs tens of thousands of Canadians both in communities across this country and around the world. Our Government recognizes the importance of the industry and has been taking important steps to help make it





more competitive and productive. These measures include supporting junior mineral exploration in Economic Action Plan 2014, streamlining the review process for major economic natural resource projects, lowering taxes and keeping them low, opening international market access like never before, and working to match skills training with employer needs.” – Prime Minister Stephen Harper

“It was a pleasure to meet with members of the Prospectors and Developers Association of Canada today to discuss the ways our Government is supporting them, and to get their thoughts on how to further enhance Canada’s mineral exploration and mining sector in order to address future opportunities and challenges.” – Prime Minister Stephen Harper

### **Largest Federal infrastructure investment to help North too**

The Government of Canada has announced record investment of over \$53B in infrastructure across the country over the next 10 years (2014-2024) under the New Building Canada Plan.

For **Nunavut**, this represents approximately \$419M in dedicated federal funding, including more than \$256M under the New Building Canada Fund and an estimated \$163M under the federal Gas Tax Fund.

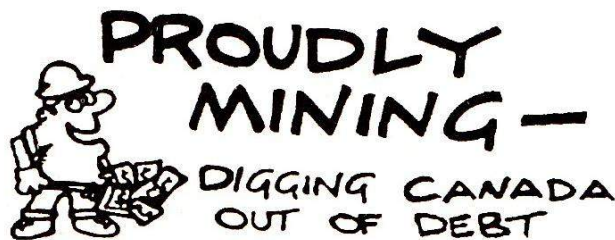
Nunavut also stands to benefit from:

- \$4B available for projects of national significance
- \$1.25B in additional funding available for P3 projects
- \$10.4B via the GST Rebate which provides municipalities across the country with additional resources to address their infrastructure priorities

For the **Northwest Territories**, this represents approximately \$421M in dedicated federal funding, including \$258M under the New Building Canada Fund and an estimated \$163M under the federal Gas Tax Fund.

Northwest Territories also stands to benefit from:

- \$4B available for projects of national significance
- \$1.25B in additional funding available for P3 projects
- \$10.4B via the GST Rebate which provides municipalities across the country with additional resources to address their infrastructure priorities.



## **Diavik completes successful first year as all underground mine**

In its first year as an all underground operation, the Diavik Diamond Mine safely surpassed its tonnage target, mining 1.95 million tonnes of kimberlite ore. The tonnage was 21 per cent above plan, as a result of accelerating the ramp up of the underground mine.

“The key to our success in 2013 was safety – safety is not optional – it is a way of life and in such remote and harsh conditions all our teams ‘live’ safety every moment of every day,” Diavik President Marc Cameron, said.

When open pit mining finished in September 2012, Diavik completed its transition to a fully underground mine. Underground production ramped up in first half 2013 and, through two different underground mining methods – sub-level retreat and blasthole stoping – Diavik produced 7.24 million carats of rough diamonds over the course of the year.

In relation to processing, December 2013 was the mine’s best December ever and the best single month total in nearly two years. “We had a fantastic finish to 2013. Exceeding our targets meant everyone working together as a team. This demonstrates that we can safely achieve our 2014 plan,” Marc said.

Since production began in 2003, Diavik has produced 83.8 million carats of rough diamonds. Underground operations are expected to continue to 2023 and potentially beyond.

To see a Diavik’s underground mine in action, visit their web site (Media/Video library section) at [http://www.diavik.ca/ENG/media/1131\\_video\\_library.asp](http://www.diavik.ca/ENG/media/1131_video_library.asp)



*Two proud Diavik miners – Rejean LeFrancois (left) and James Simon (right)*



### Member News Releases this past month

Click on the news release headlines which are live links for news releases issued by our member companies this past month.

- 11 March 2014, [Seabridge Announces First Walsh Lake Gold Resource Estimate for Courageous Lake](#)
- 11 March 2014, [MMG delivers solid profit and announces dividend](#)
- 11 March 2014, [TerraX Receives Drill Permit Approval from MVLWB for Yellowknife City Gold Project](#)
- 11 March 2014, [Stornoway Appoints Mr. Ian Holl As Vice President, Processing](#)
- 10 March 2014, [Diavik supports coast guard auxiliary](#)
- 4 March 2014, [Avalon Enters into Rare Earth Refining Agreement and Strategic Partnership](#)
- 4 March 2014, [Sabina Gold & Silver Reports Updated Mineral Resource Estimate for the Back River Gold Project, Nunavut](#)
- 4 March 2014, [Platinum Group Metals Confirms Waterberg Deposit Expansion And New Platinum-Palladium Intercepts 16 kilometres Along Strike](#)
- 4 March 2014, [Santa Fe Gold Advises Tyhee of Purported Shareholder Class Action Complaint](#)
- 4 March 2014, [Elgin Mining Provides Strong Fourth Quarter Cash Costs and Positive 2014 Outlook](#)
- 3 March 2014, [Advanced Explorations Inc. Announces Amendment to Convertible Debenture Agreement](#)
- 3 March 2014, [MMG ranked top graduate employer in mining](#)
- 3 March 2014, [North Arrow Private Placement Over-Allotment Option](#)
- 3 March 2014, [Copper North Appoints Harlan Meade as President & CEO](#)
- 27 February 2014, [North Country Gold Corp. Closes Private Placement](#)
- 27 February 2014, [Avalon Announces the Results of its 2014 Meeting of Shareholders](#)
- 26 February 2014, [Peregrine Announces Ch-6 Independent Diamond Valuation Results - Average Price Is US\\$213 Per Carat](#)
- 25 February 2014, [North American Tungsten Reports Q1 Fiscal 2014 Results](#)
- 25 February 2014, [North Arrow Announces Closing of \\$5 Million Bought Deal Private Placement](#)
- 18 February 2014, [Initial Resource Estimate for Seabridge Gold's Deep Kerr Deposit](#)
- 18 February 2014, [Gahcho Kué Joint Venture and Yellowknives Dene First Nation Sign Impact Benefit Agreement](#)
- 11 February 2014, [Peregrine Announces Appointment of Herman Grütter and Dave Skelton to Key Roles in Preparation for Resource Definition Programs at Chidliak](#)
- 4 February 2014, [North Country Gold Corp. Announces Changes in Management and Non-Brokered Private Placement](#)
- 4 February 2014, [Seabridge Gold Reports Sale of Grassy Mountain NPI Not Proceeding](#)



Established 1967

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

## Calendar of Events

- **Cold Covers Practice 2014**, April 7-9, 2014, Fairmont Chateau Whistler. The Seminar on Cold Regions: Cover Systems and Mine Closure will draw on the MEND documents, specifically the Technical Guidance Document, as well as other experiences in practicing mine closure in cold regions. Visit: <http://www.coldcovers.com/>.
- **2014 Nunavut Mining Symposium**, April 7-10, 2014, Iqaluit, NU. Visit: <http://www.nunavutminingsymposium.ca/>
- **Canadian Frac Sand Logistics & Market Forecast Summit 2014**, April 29-30, 2014 Calgary. Canada's First Ever Platform Discussing Frac Sand Logistics, Market Forecasts and Demand Specifications. Visit: [www.frac-sand-logistics-canada-2014.com/](http://www.frac-sand-logistics-canada-2014.com/)
- **CIMM 2014 Annual Mining Conference: Mining for Everyone**, May 11-14, 2014, Vancouver, BC. To learn more visit: <http://vancouver2014.cim.org/>
- **Northern Regions Mining Summit**, May 28-30, 2014, Vancouver, BC will address the social, cultural and economic impact and opportunity of mineral resource development for Northern peoples in Alaska, Canada and Greenland. Organized by Institute for the North. Click [here](#) for more or visit: [www.institutenorth.org/NRMS](http://www.institutenorth.org/NRMS).
- **Canadian Aboriginal Minerals Association**, 22<sup>nd</sup> Annual Conference: **Seeking Certainty, Mining New Ground**, November 16-18, 2014, Toronto. To learn more, visit: <http://www.aboriginalminerals.com/>

## Welcome New Members!

On behalf of all of our members, we would like to welcome the following new members to the Chamber of Mines. We encourage your support of their businesses. Please join us in a warm welcome to:

- **DEMCO Ltd.** is the first 100% Aboriginal owned NWT company created to explore and develop potential resource targets on and off selected lands in settled land claim areas and other areas where appropriate. Activities include researching potential areas of mineralization, acquiring mineral properties, grass roots exploration, exploration drilling, resource definition, feasibility studies, mining and associated exploration remediation and reclamation projects. DEMCO's vision is to explore, find, own and operate mines. Visit: <http://www.denendehinvestments.ca/investments>
- **PND Engineers Canada Inc.** is a consulting engineering firm with offices in Anchorage and Juneau, Alaska and Seattle, Washington. PND's experience is founded in the remote and Arctic regions of Alaska where they have provided innovative solutions in a broad range of civil engineering services, from building structural design to coastal engineering. Visit: <http://www.pndengineers.com/>

## Mines & Promising Northwest Territories Mine Projects

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

Project Name	Owner(s)	Commodity	Description	Status
<a href="#">Ekati Mine</a>	<a href="#">Dominion Diamond Corporation</a> , Chuck Fipke and Stu Blusson	Diamonds	Canada's first and largest diamond mine, 310 km. NE of Yellowknife. Open pit and underground. Mine life to 2020. Workforce approximately 1,500.	<p>Feb 3 news release provides Ekati life of mine plan from 2013 to a new 2020 closure (extends mine life by 1 year). Q4 news release issued Jan 15 states since DDC bought Ekati in April, the mine produced (on a 100% basis) 0.4 million carats from the processing of 0.9 million tonnes of ore from the reserves. Activities through the calendar quarter continued to focus on ore production from the Fox open pit, and Koala and Koala North underground. The Company also recovered 0.1 million carats from the processing of 0.1 million tonnes of coarse ore rejects and diamond bearing kimberlite excavated from satellite bodies in the Misery open pit (referred to as Misery South &amp; Southwest).</p> <p>In October 2013, the DDC filed an application with the WLWB requesting a new land use permit and a Class A Water License for extension of the Ekati Diamond Mine to include the Jay and Cardinal kimberlite pipes. The Jay-Cardinal Project involves the development of the largest diamondiferous resource in North America. It has the potential to extend the operating life of the Ekati Diamond Mine in the order of 10 to 20 years beyond the currently scheduled closure in 2020. The development and mining of these kimberlites is the cornerstone of Dominion Diamond Corporation's strategy for building a long-term, sustainable Canadian diamonds business.</p>
<a href="#">Diavik Mine</a>	Rio Tinto and <a href="#">Dominion Diamonds</a>	Diamonds	Canada's largest producer of diamonds, 300 km NE of Yellowknife. Mine life to 2023. Became all underground mine in 2012. Workforce approximately 1,000. To Dec 31, 2013, the mine has produced approximately 84 million carats of diamonds from the processing of approximately 22 million tonnes of kimberlite and has transitioned from an open pit operation to a fully underground mine.	DDC reported that for the 2013 calendar year, Diavik performed ahead of target, producing 7.2 million carats from 2.1 million tonnes of ore processed compared to production of 7.2 million carats from 2.1 million tonnes of ore processed in the calendar 2012. DDH also released a new life of mine plan in February that projects annual production to closure in 2023.
<a href="#">Snap Lake Mine</a>	De Beers	Diamonds	Canada's first all underground diamond mine. 220 kilometres NE of Yellowknife. Mine life to 2028. Workforce approximately 750.	2012 Socio-economic report released has been released. Change to water license to undergo environmental assessment.
<a href="#">Cantung Mine</a>	North American Tungsten	Tungsten, copper	Cantung is in the mountains of western Northwest Territories, ~300 km by road NE of Watson Lake, Yukon. Mine life to 2014. Mine operations were generally stable during fiscal 2013 with	Feb 25 news release announced a net loss of \$4.5 million or \$0.02 per share for the three months ended December 31, 2013 ("Q1 2014") compared to a net loss of \$4.0 million or \$0.02 per share for the comparable quarter in fiscal 2013 ("Q1

			similar levels of feed grade and slightly improved metallurgical recovery; while tons milled and MTUs produced increased compared to fiscal 2012.	2013"). The Company is on track to complete by mid-year improvements to the mill with potential to enhance production by up to 20% and implementation of a permanent waste water treatment plant to improve its long term tailings management.
<a href="#">Nechalacho</a>	Avalon Rare Metals	Rare earth metals	Proposed underground mine 100km SE of Yellowknife. Estimated mine jobs: 200. Target for production start up remains late 2016 with initial product sales anticipated for 2017.	Feb 14 announced Participation Agreement signed with Northwest Territory Métis Nation. March 3 announced Avalon has entered into an agreement to have Solvay process Avalon's rare earth concentrate into pure rare earth oxides for an anticipated period of 10 years from the start of deliveries to Solvay's rare earth separation and refining plant located in La Rochelle, France. In addition, effective immediately, Solvay will provide Avalon with technical support for the further design optimization, engineering and commissioning of Avalon's hydrometallurgical processing plant.
<a href="#">NICO</a>	Fortune Minerals Ltd.	Cobalt-gold-bismuth-copper	Proposed open pit and underground mine located 50 km NE of Wha Ti. Estimated mine jobs: 150	Feb 11 news release: Fortune Minerals receives Environmental Assessment approval for Saskatchewan Metals Processing Plant
<a href="#">Yellowknife Gold</a>	Tyhee Corp	Gold	Proposed open pit and underground mine of 2 deposits (Ormsby and Nicholas Lake) about 90 km NE of Yellowknife. Estimated 4,000 tpd. Est. mine jobs: 238	Tyhee has submitted two land use permit renewals: Clan Lake (MV2014C0003) and Goodwin Lake (MV2014C0004). As such, they are being processed at the same time, but have separate reviews through the ORS. Tyhee requested the renewal be exempt from preliminary screening in an email dated Monday January 20, 2014. Board staff believes the LUP Application is exempt from preliminary screening. The Board will meet to confirm the Application is exempt from preliminary screening prior to making a decision on the Application.
<a href="#">Prairie Creek</a>	Canadian Zinc Corporation	Zinc-lead-silver	Proposed underground mine 120 km west of Ft. Simpson. Estimated mine jobs: 220	All permits now in place to construct and operate the mine. Expect completion of an optimized feasibility study and conclusion of a project financing package in H1/14.
<a href="#">Gahcho Kué</a>	De Beers & <a href="#">Mountain Province</a>	Diamonds	Proposed open-pit diamond mine approximately 180 km ENE of Yellowknife, NT. Estimated mine jobs: 360. Indicated resource increased 12% from 50.5 million carats to 56.6 million carats. Inferred resource increased 80% from 10.3 million carats to 18.5 million carats.	Feb 18, Gahcho Kue signed IBA with YK Dene, adding to IBA signed with Tlicho in Jan 2014.
<a href="#">Pine Point</a>	Tamerlane Ventures	Lead-zinc	Company proposes underground mine east of Hay River, NT using freeze technology for water management. Estimated mine jobs: 225	Court was to hear on Jan 30 an application from Global Resource Fund for issuance of a Receivership Order with respect to Tamerlane Ventures Inc. and Pine Point Holding Corp.
<a href="#">Courageous Lake</a>	Seabridge Resources	Gold	Proposed open pit mine 240 km northeast of Yellowknife. 6.5 million oz proven and probable reserves. (Positive Preliminary Feasibility Study July 2012)	New 5-year land use permit issued December 28 to allow up to 700 drill holes. In the nine months of 2013, the Company incurred \$5.3 million in exploration costs to complete the winter and spring exploration and drilling programs and

				assess the results of those programs.
<a href="#">Selwyn</a>	Selwyn Chihong	Zinc, lead	Proposed underground mine in Yukon on NWT border and access is through NWT. Agreements signed with NWT (Sahtu) Aboriginal land corporations.	Selwyn Chihong has acquired full control of the project from <a href="#">Selwyn Resources</a> .

## Mines & Promising Nunavut Mine Projects

The following table describes a number of leading mineral development projects in Nunavut.

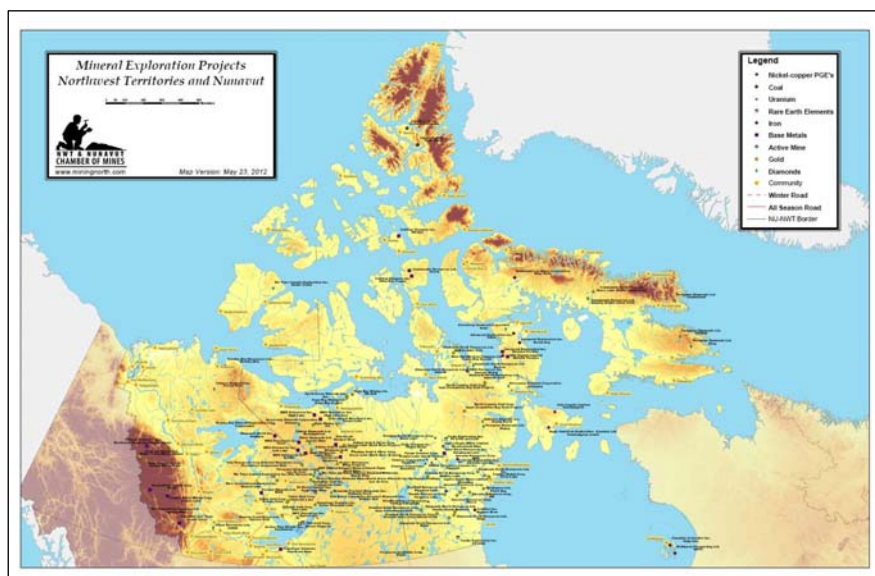
Project	Owner(s)	Commodity	Description	Status
<a href="#">Meadowbank Gold Mine</a>	Agnico-Eagle Mines	Gold	In operation since 2010. Open pit mine located in the Kivalliq Region, 300 km west of Hudson Bay and 70 km N of Baker Lake. Mine jobs: 450	Feb 12 AEM reports Q4 and full year 2013 results: record annual gold production at Meadowbank - 430,613 ounces at a total cash cost of \$774 per ounce.
<a href="#">Mary River</a>	Baffinland Iron Mines	Iron	Proposed open pit mine with railway and port; 936 km N of Iqaluit with 5 known deposits. Estimated construction jobs: 3,500- 5,000. Estimated mine jobs: 715	Comments on FEIS Addendum due by October 18, 2013; Technical hearings scheduled for November, 2013; On Sept 9, Baffinland and Qikiqtani Inuit Sign Mary River IIBA. Sept 13, Construction decision made. Sept 25, Baffinland Announces First Charter from Kitchener- Waterloo, to Mary River. Sealift to site completed Oct 7.
<a href="#">Kiggavik</a>	AREVA Resources	Uranium	Proposed uranium mine 80 km W of Baker Lake. Estimated Construction jobs: 750 Estimated mine jobs: 600	AREVA to submit final EIS as September 30, 2014, with final public hearings in 2015.
<a href="#">Meliadine Gold</a>	Agnico-Eagle Mines	Gold	Possible gold mine, 6 deposits, the largest of which is the Tiriganiaq deposit, 25 km NE of Rankin Inlet. Estimated construction jobs: 1000 Estimated mine jobs: 700	On Feb 13, AEM informed the Nunavut Impact Review Board that it expects to submit a Final Environmental Impact Statement (FEIS) for Meliadine to the NIRB on or before May 2, 2014.
<a href="#">Hackett River</a>	Glencore	Zinc, Silver, Copper, Lead	Proposed open pit mine. One of largest undeveloped VMS massive sulphide deposits in the world. 104 km SSW of Bathurst Inlet. Estimated construction jobs: 800 Estimated mine jobs: 500	Pre-feasibility Study initiated in September, 2012; Submission of DEIS scheduled for Q3, 2013. Glencore is taking lead on advancing the Bathurst Inlet Road & Port project, with Sabina.
<a href="#">Back River</a>	Sabina Gold & Silver Corp.	Gold	Approximately 60KM from Hackett River; adjacent to the Wishbone Greenstone belt. Consists of the George and Goose Lake deposits and holds significant gold resources. Estimated construction jobs: 1,600 Estimated mine jobs: 900	News release Feb 12, 2014: Sabina announced the Nunavut Impact Review Board says Back River DEIS conforms with the environmental assessment guidelines and that the technical review process has begun. News Release March 4 updated mineral resource with increase in overall contained Au ounces in the Measured, Indicated and Inferred Resource categories including significant increase in measured Au ounces from 304,000 ounces at 4.4 g/t Au and 2,168 kt to 1,714,000 ounces at 5.2 g/t Au and 10,210 kt for open pit.
<a href="#">Izok Corridor Project</a> (with High Lake & Hood River deposits)	MMG Resources Inc.	Copper, Zinc, Gold, Silver	High Lake is 1710 hectare, copper-zinc-silver-gold property, 190 km ESE of Kugluktuk. Izok is high-grade zinc-copper-lead-silver deposit, 255 km SW of	MMG examining alternative designs to reduce costs, add value, and improve economic viability of the project, and will provide revised project description to NIRB by December, 2013.



			Kugluktuk. Estimated construction jobs: 1,140 Estimated mine jobs: 710	
<a href="#">Roche Bay</a>	Advanced Exploration Inc.	Iron	Over 500 mt of Indicated Resources within 6 km of a natural deep water harbour at Roche Bay. Estimated construction jobs: 450 Estimated mine jobs: 370 - 380	Positive FS August 10, 2012. Announced opportunities for infrastructure support in construction of LNG power plant & port facility, February 5, 2013.
<a href="#">Chidliak</a>	Peregrine Diamonds Ltd.	Diamonds	Located 180 km S of Pangnirtung. Contains 61 known diamond-hosting formations.	News Release Feb 26 announced bulk sample value of stones from the CH-6 kimberlite pipe averaged US\$213 per carat and the entire parcel was valued at US\$215,605. The grade of the 404.2 tonne bulk sample that yielded the 1,013.5 carat parcel was 2.58 carats per tonne; Feb 11 news release announces appointment of Herman Grütter and Dave Skelton to key roles in preparation for resource definition programs at Chidliak.
<a href="#">Doris North/ Hope Bay</a>	TMAC Resources	Gold	Proposed gold mines 130 km S of Cambridge Bay; covers the majority of the Hope Bay Greenstone Belt. Estimated mine jobs: 485	NIRB recommends approval of Type A Water License renewal for 10-year period on August 16, 2013.
<a href="#">Angilak</a>	Kivalliq Energy Corp.	Uranium	340,268 acre property located SW of Baker Lake; Hosts the high-grade Lac 50 Trend deposit; 43.3 Mlb inferred resource at 0.69% U308.	Kivalliq acquired property in 2008. 87,500 m on exploration and resource drilling to date. 2013 drill program planned.

## Detailed Deposit Map

A reminder that this and other detailed maps are available on our Chamber website by clicking [here](#).



## Project Maps

