

Northern Mining News

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From the Executive Director ...

Some good news this month as TMAC announced completion of a robust Pre-Feasibility Study on their Hope Bay Gold Project. With a potential 20 year mine life, TMAC's President says it's "Canada's next great gold mining camp". Can't wait!! And exotic yellow diamonds have been found by North Arrow. Located just a short distance from a community and tide water, also bodes well. Meanwhile, Baffinland was dealt a surprising non-conformity decision by Nunavut's Planning Commission.

Check out the NWT's finalists in the Towards Sustainable Mining excellence program and the winners of the Canadian North Mining Awards.

Happy reading. ... TWH

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

Editorial ... Creating an Economic Vision around mining – Norway has it right

A month ago, I wrote an editorial piece for the News/North titled: *Are we regulating mineral exploration out of the NWT?* The piece raised concerns over the rapid decline in mineral exploration investment in the NWT, and its effects on the economy today and in future. Since mining relies in no small part on successful exploration, declining investment will affect the sustainability of our mining industry. But there is more to this story.

We must all care about this, for in a post devolution world we have the responsibility to manage our own affairs and to establish an economy capable of supporting us. The recent announcement that Canada will increase the NWT's borrowing limits is the last piece signaling we are "grown up". We have now started on our own economic journey, and we now carry the responsibility for our own future. No more blaming Ottawa.

In picking a path forward, we must look to what strengths we have, and what we are good at. That is mining. Our mining industry has proven itself through thick and thin to be the most significant private sector contributor to our economy for over 60 years. It has contributed major infrastructure including all of our hydropower plants, our railway, has helped drive highway construction and is a key contributor through tolls to the Deh Cho Bridge. While we must also look to developing other sectors of the economy, none have proven themselves to have the economic horsepower of mining. We must continue to strengthen our ability to be the best at mining because of the tangible and long lasting benefits it adds to our communities and economy.

Last month, the first technical hearings were held in Yellowknife on Dominion Diamond's Jay project. Jay is not an expansion project, rather will add another 10 years to the mine life, currently projected to end in 2020. Ekati is our largest mine with some 1,400 workers, over half from the North, and with its annual spending and contributions to governments and communities is a powerful economic engine in our private sector.

Jay should be called an economic life saver project. Even with the development of the new Gahcho Kué mine, the NWT's economy will suffer a significant decline if Ekati closes in just six short years.

While Diavik has proposed a significant investment of \$350 million in the next few years to develop their fourth and final pipe, A21, it will be insufficient to offset this decline. As one of our members concluded: we need substantial development dollars to sustain GDP – something the size of Diavik's A21 every 3-4 years!

The Jay Project deserves our support and Yellowknifers and northerners should stand behind responsible development of that ore body for our economic health.

To sustain and grow the engine of our economy means making the NWT attractive for the investment we need for mineral exploration and mining development. It means addressing the infrastructure deficit and building the Tlicho road that Whatì Chief Alfonz Nitsiza recently asked for, and the all-weather road into the Slave Province to access the significant mineral potential it hosts. It means clarifying rights and providing clear requirements for land access through the settlement of Aboriginal rights agreements, by right-sizing proposed national parks and other

protected areas to balance preservation and economic opportunity, and by using the regulatory process, rather than the withdrawal of land as a tool to protect lands. It means addressing regulatory hurdles like exempting small, low impact exploration projects like the Husky sand project from environmental assessment – save that ultra-rigorous and costly process for the time when investment has revealed there might actually be a viable project to assess. Don't kill the goose before it lays the golden egg.

Finally, it means encouraging our youth to stay in school, and to further their education, and it means educating our youth about mining so that we can become the best darn miners in the world. Nothing wrong with setting your sights high. Being the best means in all categories: in finding the ore bodies, AND in engineering the methods to do it efficiently and creatively (like our dikes), AND then getting the ore from the ground, AND in protecting the environment, AND in protecting the health and safety of our workers, AND in investing in our people, AND providing sustainable benefits to the people and communities of the North. Note the operative word is "AND", it is not "either/or". We must plan to do it all.

The time of government support in the form of huge transfer payments to sustain our economy is behind us. With devolution, we are now in the driver's seat, navigating our own path forward. I would suggest that any path we choose though, must build on our natural economic advantage and that is our resources and in particular, mining.

In Norway, the oft heard refrain is: "We live off what we find in nature". Quoted in *The New York Times*, Norwegian professor Thomas Hylland Eriksen said, "When I was young, Swedes had whiter teeth, clearer skin, Abba and Bjorn Borg. We (Norwegians) had lots of fish, and not much more." But by taking a focused approach on oil and gas development, Norway used the oil & gas they found in the North Sea in the 1970s to ignite their country's economic growth. By the early 1990s, just as Sweden was entering a deep recession, Norway's boom years started in earnest. Today, just 40 years later, Norway is globally expert in responsible oil & gas production and they have wisely grown its benefits into the largest sovereign wealth fund in the world. And in a great show of the power of "AND", they didn't turn their back on other parts of the economy: they still have a strong fishing industry and even advanced biorefining technology now from their forests.

The Norwegian lesson? One simply cannot imagine that all of this success arose without a very strong focus on engineering and technology, on an attractive investment and regulatory climate, on infrastructure, on education and training, and most of all on VISION. What a role model Norway might be for us.

We can strive for the same. And it's the challenge we should put before us.

What better time to call for action, an election year. This fall, demand your candidates provide that Vision! In the meantime, start to rally your friends and neighbours in understanding the world we are in today, and ask them to join the call for Vision.

Our future economic well-being depends on it.

... Tom Hoefer, Executive Director

Canaries in Nunavut? North Arrow makes a rare find!

North Arrow Reports Rare Natural Type Ib Yellow Diamonds from Q1-4 Kimberlite

On April 21, 2015, North Arrow Minerals Inc. reported that yellow diamonds from the Q1-4 kimberlite contain un-aggregated nitrogen, a defining characteristic of rare, natural Type Ib diamonds with fancy "Canary Yellow" colours. Type Ib diamonds are exceptionally rare, estimated to make up less than 0.1% of natural diamonds globally. The Q1-4 kimberlite is located within the Qilalugaq Diamond Project, just nine kilometres from the Hamlet of Naujaat (Repulse Bay), Nunavut.

The results reported in this news release are based on FTIR (Fourier Transform Infrared) analyses of 41 representative yellow diamonds from the Q1-4 kimberlite. The diamonds studied by this non-destructive technique range in colour from very pale yellow through intense yellow and all but one of the diamonds were determined to contain un-aggregated nitrogen, characteristic of "Type Ib" diamonds. Un-aggregated nitrogen occurs as single, randomly distributed nitrogen atoms and strongly absorbs blue and violet light. As a result of this strong absorption, even relatively minor amounts of un-aggregated nitrogen can lead to intense yellow colours commonly referred to as "Canary Yellow" in the gem trade. The study was conducted by Apex Geoscience Ltd. at the University of Alberta's Diamond Research Laboratory.

Ken Armstrong, President and CEO of North Arrow, commented, "This study has confirmed that the intense yellow colours seen within the Q1-4 diamond parcel are consistent with highly coveted canary yellow diamonds. While all of the yellow diamonds recovered from the Q1-4 kimberlite will not qualify as fancy yellow colours, it is extremely unusual to have such a high proportion of diamonds tested from one locality report as Type Ib diamonds and this is important information to have in advance of the upcoming Q1-4 diamond valuation process."

Nitrogen impurities are common and found in approximately 98% of all natural diamonds. Such diamonds are classified as "Type I" diamonds. The vast majority of Type I diamonds are further subclassified as "Type Ia" diamonds, in which the nitrogen is aggregated into groups of two or more atoms. Type Ia diamonds can vary from clear/colourless to a range of different colours, including yellow. However, diamonds containing a Type Ib component (i.e. containing randomly distributed "un-aggregated" nitrogen, like those identified from the Q1-4 kimberlite) are exceptionally rare, making up less than 0.1% of natural diamonds. Mr. Armstrong continued, "In fact, less than 1% of over 24,000 fancy yellow diamonds investigated by the Gemological Institute of America as part of a 2005 study were classified as Type Ib diamonds, indicating that



Type Ib diamonds are rare, even among natural fancy yellow diamonds. This rarity highlights the significance of today's result: all but one of the analyzed Q1-4 yellow diamonds contain unaggregated nitrogen and yellow diamonds make up over 21%, by carat weight, of the diamonds recovered so far from the Q1-4 bulk sample [please see news release from February 26. 2015 for details on the bulk sample and results reported to date]."

North Arrow also reported that final processing and diamond sorting of the Q1-4 bulk sample is on track for completion in late April with a formal valuation of the resultant diamond parcel to be conducted shortly thereafter.

North Arrow is working to earn an 80% interest in the Qilalugaq Diamond Project from Stornoway Diamond Corporation (TSX-SWY), subject to a one-time back-in right of Stornoway's, by collecting and processing the current bulk sample (please see North Arrow news release dated April 29th, 2013 for additional details on the option agreement with Stornoway).

For more information on the Qilalugaq Project as well as on the type classification of diamonds and yellow diamonds, visit the North Arrow website at www.northarrowminerals.com/projects/qilalugaq.

Hope Bay – TMAC says "Canada's next great gold mining camp"

TMAC Completes Robust Pre-Feasibility Study on Hope Bay Gold Project

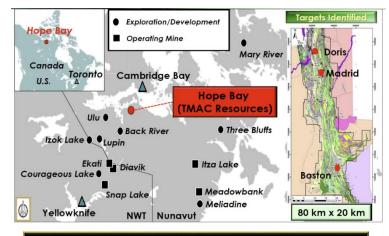
Terry MacGibbon, TMAC's Executive Chairman said it nicely: "We are truly at the early stages of building Canada's next great gold mining camp."

On April 24, TMAC Resources Inc. (TMAC) announced the successful completion of its Pre-Feasibility Study ("PFS") on its 100% owned Hope Bay Project (the "Project") located northeast of Yellowknife in the Kitikmeot region of Nunavut. The PFS establishes new Proven and Probable Reserve estimates for the Project based on the Mineral Resources estimate released in January, 2015. The PFS also updates the Mineral Resource estimate for Boston.

The PFS supports the sequential development and underground mining of the three known deposit trends at Doris, Madrid and Boston. The development plan includes conventional high-

grade underground mining that makes use of significant existing surface and underground infrastructure. The updated Mineral Resources estimate in the PFS includes 4.5 million ounces of gold in the Measured and Indicated categories, as well as TMAC's first reported Proven and Probable Reserves estimate of 3.5 million ounces in support of an initial 20 year mine life.

Due in part to the pre-existing on-



The Largest Undeveloped Gold Belt in Canada

site infrastructure, capital and operating costs are expected to be low relative to underground gold mining industry averages, with the PFS forecasting operating costs and all-in sustaining costs of US\$638 and US\$785 per ounce, respectively. With low pre-production capital costs of US\$175 million (C\$206 million), the base case in the PFS estimates that the Project will generate a robust pre-tax internal rate of return ("IRR") of 44% and a post-tax IRR of 40%. By leveraging the existing advanced infrastructure at the Project, the PFS estimates that TMAC would realize a 1.7 year payback on modest up-front capital requirements.

Some Economic highlights of the PFS (see release for more details)			
Gold Price (US\$/Oz)	\$1,250		
Exchange Rate C\$/US\$	1.18		
Mine Life	20 years		
Mill Capacity (tonnes per day)	2,000		
Tonnes Ore Mined	14.3 million		
Average LOM Grade	7.6 g/t Au		
Average Grade – First 5 Years	9.4 g/t Au		
Average LOM Recovery	91%		
Total Recovered Oz Au	3.2 million		
Average Annual Gold Production	160,000 oz		
Average Annual Gold Production Years 1-5	185,000 oz		
Peak Annual Gold Production	218,000 oz		
Pre-production Capital (C\$ million)	\$206		
Pre-production Capital per Oz Au (C\$)	\$64		
Sustaining Capital (C\$ million)	\$436		
Sustaining Capital per Oz Au (C\$)	\$136		
Gross Revenue (C\$ billion)	\$4.7		
Total Operating Cash Flow (C\$ billion)	\$2.2		
Pre Tax NPV at 5% discount (C\$ million)	\$848		
Pre Tax IRR	44%		
Post Tax NPV at 5% discount (C\$ million)	\$626		
Post Tax IRR	40%		
Post Tax Payback Period	1.7 years		

Terry MacGibbon, TMAC's Executive Chairman commented, "The PFS provides confirmation of the immediate development potential of the Hope Bay Project and the focused strategy of boot-strapping the belt by initiating production at Doris. The cash flows from early mining support the ramp-up of production at sites progressively further south in the belt and support exploration for significant additional mineralization along the belt. After two years of de-risking and advancing the Project we are in position to execute on a plan that realizes production of

gold in late 2016. With three deposits already scheduled for production in the PFS, excellent potential to expand and grow those known deposits, and to discover new deposits along the 80 km long gold belt, we are truly at the early stages of building Canada's next great gold mining camp."

Dr. Catharine Farrow, TMAC's Chief Executive Officer stated, "TMAC has advanced and derisked the Project beyond expectations in the past 6 months with the completion of a highly successful drill programme that led to the upgrade of 1.7 million ounces of gold into Measured and Indicated Mineral Resources, the signing of a comprehensive suite of Inuit agreements with the Kitikmeot Inuit Association ("KIA") and Nunavut Tunngavik Inc. ("NTI") for the 20 year mine life represented by the PFS, and the completion of the PFS. The 20 years of estimated reserves that underpin the mine plan in the PFS is seldom achieved in these types of orogenic gold deposits and is the culmination of decades of excellent mineral resource drilling and development by previous owners and by TMAC. Of note is the fact that all of the known deposits are open at depth. Their potential future production would provide the cash flow and the time to develop the potential of the rest of the Hope Bay greenstone belt, thereby adding additional value for stakeholders. In addition, TMAC has been able to utilize existing infrastructure that is effectively ready for production and has settled on a fit for purpose processing plant that will help in achieving a late 2016 initiation of gold production.

Download the entire detailed news release <u>here</u>.

NPC decision on Baffinland comes as surprise

In a first ever non-conformity decision, the Nunavut Planning Commission (NPC) ruled that Baffinland's Phase II project proposal was not conformable to the existing North Baffin Regional Land Use Plan (NBRLUP). The Early Revenue Phase project, now underway, will see shipping during open water season, while the Phase II proposal with its production of iron ore expanded by up to 7.8 mtpa above the already approved 4.2 mtpa would require a longer marine shipping season, requiring periods of ice breaking. Baffinland's proposal of 9.5 month shipping was initially submitted to the NPC in October of 2014.

The NPC's decision on April 8 concludes that year round ice breaking does not conform to the land use plan. It still allows Baffinland to continue with its existing and approved Early Revenue Phase which involves shipping ore out of Milne Inlet during open water.

NPC provided the company with 4 options:

- apply to the appropriate federal minister for an exemption from the NBRLUP;
- amend the project proposal to comply with the NBRLUP and resubmit;
- apply to the planning commission to amend the NBRLUP; or
- re-evaluate the project proposal.

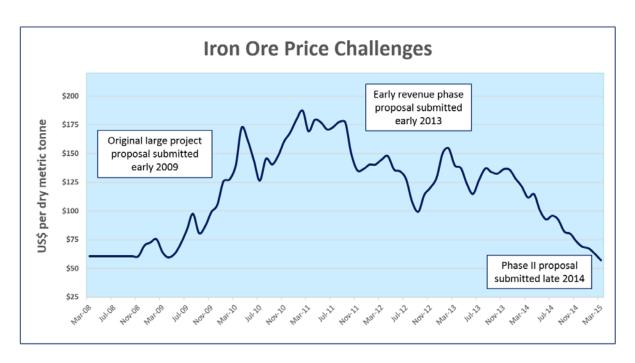
Company spokesperson Greg Missal says that Baffinland is still reviewing the decision and considering their options.

Many in industry were surprised by the decision.

During the Nunavut Mining Symposium, keynote speaker and Scotiabank economic Vice-

President & Commodity Market Specialist Patricia Mohr indicated that she believed that it is in the economic interest of Nunavut for the project to prosper and move ahead well.

The Project has not been helped by a global iron market that has seen a number of global mining giants driving down the iron price. Examining the project's evolution against market price helps demonstrates the risks that mining companies face, and the steps they must take to keep their operations economically viable.



Meet the Winners of the 2015 Canadian North Nunavut Mining Awards

Each year, the Nunavut Mining Symposium presents the *Canadian North Nunavut Mining Awards*, which recognize excellence in the industry. The awards were presented at the Agnico-Eagle Gala on Thursday, April 16th, 2015.

Murray Pyke Award - TMAC Resources

The Murray Pyke Corporate Award recognizes the contribution of a mining, exploration, or related company to the economic/social development of a community, region or Nunavut in general. Alex Buchan, Director of Community Relations with TMAC was on hand to accept the Murray Pike Corporate Award.

Mike Hine Award - Mike Beauregard

This award recognizes an individual who has made significant contribution to the mining industry in Nunavut. Based in Arviat, Mike is the Resident Geologist (Kivalliq) with the Government of Nunavut and is the lead on Nunavut's "Carving Stone Evaluation Program". Ever humble, Mike reluctantly took the stage to accept his award.

Eric Prosh Government/Organization Award – Hamlet of Arviat

Eric Prosh was a Director and Geologist with the Government of Nunavut who advanced and promoted geoscience for all Nunavutmiuts.

Over the years, the Hamlet of Arviat (led by Economic Development Officer Keith Collier) has worked closely with mining companies, the Government of Nunavut, educational institutions, and other stakeholders to develop a variety of targeted training programs to help Arviammiut access employment in the mining industry, including a driller's helper program, a welding trade readiness program, and a work readiness program.

Ronnie Suluk was on hand to accept the award on behalf of the Hamlet.



Alex Buchan is the Manager, Community Relations with TMAC Resources.



Mike Beauregard is the GN Resident Geologist based in Arviat. Nunavut



The Hamlet of Arviat's Eric Prosh
Government Award from the Nunavut
Mining Symposium, along with a
program full of well wishes.

Two NWT Mines Are Finalists in 2015 TSM Excellence Awards

The finalists for the 2015 Towards Sustainable Mining (TSM) Awards for Community Engagement and Environmental Excellence have been selected and the award winners will be announced on May 11 at the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Awards Gala at the 2015 Convention in Montreal.

Our three NWT diamond mining companies – De Beers, Diavik and Dominion Diamond – are in the running for two projects:

- De Beers Canada: Books in Homes literacy program in the NWT, and
- Diavik and Ekati's Grizzly bear monitoring in the NWT

In 2014, MAC established the TSM Excellence Awards to recognize innovative projects that raise

the bar for environmental and social performance where Canadian mining companies operate, and to commemorate the TSM initiative's 10-year anniversary of driving change in Canada's mining industry.

The TSM initiative is a performance-based program whereby mining operations evaluate, manage and publicly report on critical environmental and social responsibilities. For more information about TSM, please visit www.mining.ca/tsm.

"This year's finalists were chosen because their projects have made meaningful change in the communities where these mining companies operate. They demonstrate how working directly with local communities and responding to their needs can extend the benefits that mining brings to regions in Canada and across the globe. We look forward to announcing the two winners at the CIM Awards Gala in May."

- Pierre Gratton, President and CEO, MAC

De Beers Canada: Books in Homes literacy program in the NWT –Finalist for TSM Community Engagement Award

When you put a book in a child's hands, you open them up to a world of opportunity. This was at root of De Beers Canada's thinking when it formed its Books in Homes program for children attending schools in isolated Aboriginal communities close to its Snap Lake mine in the Northwest Territories. Launched in 2003, the program was a response to concerns from the community that low literacy and low high school graduation rates were creating barriers for Aboriginal residents in obtaining higher education or qualifying for jobs in the mining industry. As limited access to reading materials and virtually non-existent school libraries were contributing to the low literacy rates, Books in Homes was designed to tackle this issue by helping students build home libraries and getting them excited about reading. Through the

program, students select three books each year that they can take home to enjoy. Students participating from kindergarten to Grade 12 will have received 39 books courtesy of the company. To date, De Beers has delivered 37,000 books to students, and since 2007, the company has purchased books locally through the Yellowknife Book Cellar.

De Beers has worked with community stakeholders to design and shape the program. Important outcomes have resulted from this collaboration, including an expansion of the program to all grades, and not just for primary and elementary-aged students as originally



intended, as well as extending it beyond the original seven NWT communities. De Beers also partnered with Yellowknife Book Cellar to develop a "book fair" format whereby books are brought to the community and children can take their selections home after visiting—a more exciting experience than the original order form format. There are several indicators that show the program is positively impacting the local communities. School attendance peaks on days when the books fairs are held, interest in the program has grown, and parents are increasingly visiting the Yellowknife Book Cellar with lists of books their children want them to purchase.

Ekati and Diavik Mines: Grizzly Bear Monitoring in the NWT - Finalist for TSM Environmental Excellence Award

When regulators, monitoring agencies and community stakeholders asked for a grizzly bear monitoring program, the Ekati Diamond Mine (operated by Dominion Diamond Corporation) and the Diavik Diamond Mine (operated by Rio Tinto) responded by developing a new program that went over and above their environmental monitoring requirements. The Joint Regional Grizzly Bear DNA Program was designed to assess bear population trends and to determine if mining-related activity influenced the relative abundance and distribution of grizzly bears over time.

Following a successful pilot study, the program began its initial two-year phase in 2012 and the gathering of baseline population data was completed in 2013. The study area covered 16,000 km2 of the Central Barrens encompassing the two mine properties. The area was split into a 12x12 km grid with one post located in each grid square, for a total of 112 posts. Traditional knowledge was sought by community elders and land users for the posts' development and placement. The posts were constructed with mechanisms to bait the bears, which would result in hair samples being left behind that were then collected for DNA analysis. A total of 1,902 hair samples were collected in 2012, and 112 grizzly bear individuals were identified. In 2013, this number rose to 4,709 samples and 136 grizzly bear individuals were identified, 39 of which had no previous detections.

The results suggest a detection frequency of 9 to 11 bears/1,000 km2, above estimates from the 1990s where the frequency was 3.5 bears/1,000 km2, indicating a stable or increasing bear population in the region. This project, the largest grizzly bear DNA program in the territory, was the first major collaboration between diamond mines in the region. Recently, De



Beers' Snap Lake mine and Gahcho Kué project have come on board, doubling the initial study area to over 30,000 km2. Based on its success, the Government of Nunavut has also deployed similar programs at Back River, Hackett River, Courageous Lake, Izok, Hope Bay, and in the Eastern Arctic.

Development Opportunity? Sahtu Land Use Plan

The creation of Naats'ihch'oh National Park Reserve in the Sahtu region last year has created a final park boundary that is smaller than the interim withdrawal that the Federal Government imposed years ago. (See our February newsletter story *Is there an opportunity for renewed exploration in the Sahtu?*) The final park size was reduced to exclude very high mineral potential lands for future development opportunities. While we think they could represent a good opportunity to attract mineral exploration investment, the Sahtu Land Use Planning Board (SLUPB) must first consult to determine just what to do with these lands.

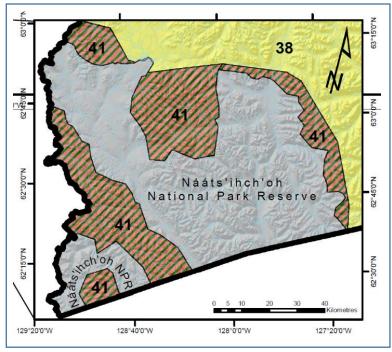
The SLUPB has now begun a process to review the areas affected in those areas, which are formally called Proposed Conservation Initiative Zone 41 (Nááts'ihch'oh) lands. On April 17, the Board released a <u>report</u> that provides:

- Background information and history of the park reserve's development;
- Current status of Zone 41 and land use planning considerations; and
- Description of the SLUP amendment process.

For the next 60-days, the Board invites written comments from planning partners on the content of the Background Report to inform the process. Comments received will help frame the agenda for three public meetings the SLUPB will host to gather further input from planning

partners. Details for the meetings are forthcoming and tentatively scheduled to be held in Tulita and Norman Wells during the week of July 13th, and in Yellowknife the week of July 20th.

It is the Board's aim to gather all relevant information and public input by August 2015. At that time, the Board anticipates it will prepare an application to amend the SLUP. Should the Board adopt an amendment, it would be submitted for approval to the Sahtu Secretariat Incorporated, Government of the Northwest Territories (Minister of Lands), and Government of Canada (Minister of Aboriginal Affairs and Northern Development Canada). A SLUP amendment cannot take effect until all three parties have approved it.



High mineral potential lands designated "41" are no longer part of the Nááts'ihch'oh National Park. Public consultation will help determine if they will be opened for exploration.

More northern approach being proposed for Thaidene Nëné National Park

With work on the National Park now paused by the Federal Government, the GNWT is working to advance a northern protection tool to displace much of the enormous 30,000 square kilometres withdrawn by Canada for consideration as a national park.

"Thaidene Nëné is one of the first post-devolution initiatives to feature a made-in-the-North approach to finding balance in a unique area with competing values," says Minister of Environment and Natural Resources J. Michael Miltenberger. "The idea is to have a combination of territorial and federal designations and related governance arrangements as a way to maximize benefits and keep as much of the area as possible under the control of NWT residents."

In a <u>submission</u> to the GNWT, the Chamber of Mines alerted the government to its concerns over such a large area being withdrawn forever from potential development, and further, its ability to stymy mineral development in the lands beyond its boundaries.

With the mineral industry being the largest private sector contributor to the economy, it is critical that access to the NWT's mineral endowment must also be protected if it is to provide significant socio-economic benefits to the territory and its residents. Lands in the Thaidene Nëné region – and the entire southeastern NWT within and beyond it – can be an important contributor in the future.

Specifically with respect to Thaidene Nëné, our Chamber recommends that governments:

- Reduce the size of the proposed Thaidene Nëné Park and open much of the unrequired lands to exploration.
- Invest time and efforts to conduct additional mineral resource investigations, ensuring that any missing data that industry has identified is incorporated.
- Remove all high and moderate mineral potential identified from consideration in a proposed national park.
- Provide for marine access on the lake, placement of ports at strategic locations on the shoreline, and road and power transmission line corridors through the park to high mineral areas in the hinterland beyond.
- Seek other land use management tools that allow for multiple land use, which a national park designation prevents.

The submission also makes recommendations to help open up other areas that have also affected mineral exploration and development in the surrounding region.

In this post devolution world in which mineral exploration and mining offers government and communities significant opportunities, the Chamber of Mines recommended a discussion begin based on the GNWT's recently released "Northern Lands, Northern Leadership – The GNWT Land Use and Sustainability Framework", to address the recommendations that we have put forward in this submission.

NTI Lawsuit Settlement Reached – Agreement Signing

On May 1, Nunavut Tunngavik Inc. (NTI) announced that an out-of-court settlement agreement in NTI's lawsuit against the Crown (Government of Canada) for failure to implement various promises made in the 1993 Nunavut Land Claims Agreement (NLCA) will be signed in Iqaluit on May 4, 2015 at 10 am.

The settlement agreement will be signed by NTI President Cathy Towtongie, Aboriginal Affairs Minister Bernard Valcourt and GN Premier Peter Taptuna at 10 am in the NTI boardroom in Iqaluit. NTI Vice-President James Eetoolook and Environment Minister Leona Aglukkaq will also be in attendance.

The settlement agreement comes into effect immediately upon signing. The lawsuit that was launched in December 2006 in the Nunavut Court of Justice will be terminated.

Details of the settlement agreement will be released during the signing ceremony.

Notice of Public Hearing on the Draft Nunavut Land Use Plan

Apply to Participate by June 1, 2015

On May 1, the Nunavut Planning Commission (NPC) provided notice that pursuant to section 11.5.4 of the Nunavut Land Claims Agreement (NLCA), the NPC will conduct a Public Hearing on the 2014 Draft Nunavut Land Use Plan (2014 DNLUP) on a date and time, and at a location, that have not yet been determined. The 2014 DNLUP may prohibit some uses of lands, and projects will have to conform to the 2014 DNLUP once approved. Inuit of Nunavut; Other Aboriginal Peoples listed in Article 40 of the NLCA including Makivik, Denesuline of Northern Manitoba and Northern Saskatchewan; residents of Nunavut; Nunavut Tunngavik Inc.; and Designated Inuit Organizations; Regional Inuit Organizations; municipalities; Community Land and Resource Committees; and departments and agencies of the federal and territorial government (the Parties), and others may be affected by it.

You must become a participant if you wish to receive further notices of the Public Hearing, be consulted on technical and procedural matters, and provide evidence and submissions on the

2014 DNLUP at the Public Hearing for the NPC to consider when revising the 2014 DNLUP for final approval.

The NPC is holding a meeting for participants' technical experts (Technical

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Meeting) on June 23 to June 26 2015, at the Cadet Hall in Iqaluit. A Pre-Hearing Conference will also be held July 14 to 16, 2015. Although you may still become a participant after these sessions and prior to the Public Hearing, if you wish to participate in the Technical Meeting or the Pre-Hearing Conference, you must seek participant status as explained below by no later than June 1, 2015.

For more information visit the NPC website here.

Baffinland and Mining Matters team up for Mining Rocks Earth Science Program

(Story from Baffinland website)

In fall of 2014, Baffinland and Mining Matters partnered with the communities surrounding the Mary River Project in the Qikiqtani region of Baffin Island to deliver Mining Rocks Earth Science Programs and professional development workshop.

Four one-day programs were facilitated between September 8 and October 21, 2014 in the communities of Arctic Bay, Hall Beach Clyde River, and Pond Inlet, Nunavut. A fifth program is scheduled for Igloolik, Nunavut in spring of 2015. Each program was modeled to provide an introduction to the fundamental concepts of Earth science and the mining industry. Careers, their availability and the local demand for a diverse range of high paying careers in the industry were emphasized with the older participants.

The objective of the program is to:

- Provide engaging, hands-on mineral resources programming to youth through the delivery of learning activities focused on rocks and minerals, mineral exploration, mining, sustainability and the importance of mineral resources in society.
- Inform youth about career opportunities in mineral exploration and mining.
- Provide mentorship for youth.





development training to effectively teach curriculum, related to mineral resources, exploration, mining and Earth science.

Robert Barnett, Baffinland's Training and Development Manager, says, "The program captures the imagination of the learner while instilling basic knowledge of the mining industry locally and around the globe."

In all four communities a Baffinland Training Supervisor, either Lloyd Janes or Bob Horner, and an Inuk community liaison were present. These representatives offered valuable information about mining and the variety of careers available to participants and were an excellent addition to the program. Having a Baffinland mentor to discuss specifics about the project and act as a role model, enhanced the program considerably.

The program reached 207 student participants, ages 13 to 24 years old. Feedback from participants in each location indicates that the programs were highly successful in generating interest and awareness for future employment opportunities available in the region, and further respect and knowledge of where everyday products originate. Self-evaluated learning and interest in the program were rated between 73% and 97% with over half of students noting that they are or may be interested in a career in the mining industry.

Professional development workshops were delivered to 81 elementary and secondary teachers to introduce the Mining Matters resource kits, Deeper and Deeper and Discovering Diamonds, and demonstrate how each kits' lesson plans, rock and mineral samples, equipment, posters and videos can be used in the classroom to meet curriculum expectations.

"Baffinland is committed to providing meaningful educational opportunities for the communities closest to the Mary River Project and the Mining Matters Earth Science Programs are a good fit," says Murray Odesse, Baffinland's Vice-President, Human Resources. "The feedback from the youth who participated was very positive and school administrators, educators and community leaders alike were supportive of the intensive one-day program. These types of training activities provide an excellent opportunity to engage and raise awareness for youth and educators with the intent to introduce fundamental principles of our industry and build local capacity."

End of an Era - Hercules flies away, Buffalo follow

April 21 marked the end of a northern flying era as the last Canadian owned Hercules aircraft left Yellowknife on its final flight before being sold to Lynden Air Cargo of Alaska. First Air marked the event with a small farewell ceremony at the Yellowknife airport. Dr. Brock Friesen, President & CEO of First Air told the audience, "Hercules freighters have long been an essential part of aviation in the North. Unfortunately, we can no longer justify keeping the Hercules in our fleet."

The use of Hercules cargo planes by Canadian companies began in 1968 when northern carrier, Pacific Western Airlines purchased its first Hercules aircraft. PWA expanded their fleet to eight Hercules in the 1970s, operating all over the world. It wasn't uncommon to see five parked at the Yellowknife airport as they serviced the huge oil exploration program in the Canadian high

Arctic, flying drill rigs and equipment to ice and land strips all over the north.

NWT Air took over the provision of Hercules with a smaller fleet, and then First Air began operating its first Hercules aircraft in 1997 and a second Hercules freighter was added in 2006.



First Air's Hercules prepares to depart Yellowknife on the last day of Hercules operation by First Air, the only airline in Canada operating civilian-owned Hercules freighter aircraft. The company said it is no longer viable to keep the Hercules in their fleet.

"For a long time the Hercules made perfect sense, but markets are changing. The cost of operating and maintaining Hercules freighters has risen significantly in recent years. It is no longer viable to keep Hercules in our fleet", said Bert van der Stege, Vice President Commercial at First Air.

Lynden Air Cargo will assume ownership of Canada's remaining Hercules freighter on April 30th, 2015 and will support the Canadian market's need for the heavy haul aircraft by providing charter services to First Air in Yellowknife, subject to regulatory approval. Both parties will uphold current customer relationships while offering enhanced overall reliability and service, based on the strengths of the individual companies.

This year marks a similar departure of two other specialized Buffalo aircraft owned and

operated out of Yellowknife by Summit Air, the only non-military owned DHC-5 Buffalo.



Summit Air also selling off specialized Buffalo aircraft based in NWT. (Credit, Summit Air)

NWT Transportation Strategy advancing

The Department of Transportation is following up with NWT residents on priorities for an NWT Transportation Strategy at upcoming public information sessions in regional centres.

"The NWT Transportation Strategy 2015-2040 will guide improvements to the NWT transportation system over the next 25 years," said Minister of Transportation Tom Beaulieu. "Transportation services are very important to our communities and businesses and we want to ensure that residents see their priorities for the future of transportation captured in the strategy."

Public input has been important in developing an updated 25-year transportation strategy for the NWT. Work to gather input included public meetings, online and written surveys and face-to-face interviews with NWT political leaders, transportation stakeholders and the public. In February 2015, Minister Beaulieu tabled a <u>public and stakeholder engagement report</u> that summarized the input and committed to seeking further input on a draft transportation strategy this spring.

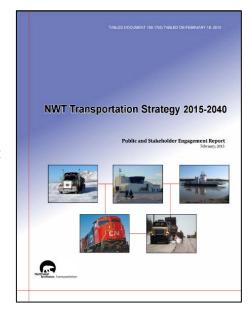
"Over 500 respondents answered our online survey last fall," said the Minister. "I encourage residents to participate in the upcoming information sessions to share their views on how to further improve our transportation system."

The public meetings are scheduled as follows:

- Fort Simpson Thursday, April 23 (7:00 p.m. at Nahanni Inn meeting room)
- Fort Smith Tuesday, April 28 (7:00 p.m. at Pelican Rapids Hotel meeting room)
- Hay River Wednesday, April 29 (7:00 p.m. at Ptarmigan Inn Hotel meeting room)
- Norman Wells Wednesday, May 6 (7:00 p.m. at the Legion Hall)
- Inuvik Thursday, May 7 (7:00 p.m. at the Permafrost Room in the Mackenzie Hotel)
- Behchokò proposed for May 12 (date, time and location to be confirmed)
- Yellowknife proposed for May 13 (date, time and location to be confirmed)

By making strategic investments in transportation infrastructure, the GNWT will help reduce the cost of living for NWT residents and support ongoing responsible economic development in the territory, contributing to the 17th Legislative Assembly's vision of a strong, prosperous Northwest Territories.

Download the stakeholder report <u>here</u> or click on the report icon.



Federal Budget Positive to mining

Mining industry welcomes renewal of program funding in key areas

The Mining Association of Canada (MAC) expressed satisfaction with the federal government's renewal of funding for key areas such as environmental assessment, the Major Projects Management Office, Aboriginal education and training, and geoscience.

"Given the current financial situation and the need for fiscal discipline, I am pleased to see the federal government renew investment in critical areas," stated Pierre Gratton, MAC's President and CEO. "The government has also made some strategic investments in innovation, marine safety and infrastructure that should pay dividends over time."

Mining now accounts for a large majority of federal environmental assessments. Support for the Canadian Environmental Assessment Agency, and other federal permitting departments, is essential to ensure the timely and effective review of major mining projects. As the largest employer of Aboriginal Canadians on a proportionate bases, the mining sector is also an active partner in several Aboriginal mine training programs across Canada. Budget 2015 renews investments for the Aboriginal Skills and Employment Strategies program, the Skills and Partnership Fund and for Indspire. Renewal of the Targeted Geoscience Initiative (\$22 million over 5 years) is also an important investment in discovering new deposits and supporting the long-term future of the mining industry.

Budget 2015 also includes a number of additional initiatives helpful to Canada's mining sector, including:

- Extending the borrowing limits for the governments of the NWT and Nunavut to \$1.3 billion and \$650 million, respectively, that should facilitate new infrastructure investments.
- Extending the 15% mineral exploration tax credit for flow-through share investors for an
 additional year. Budget 2015 also reaffirms the government's stated intention to
 ensure that the costs associated with undertaking environmental studies and
 community consultations that are required to obtain an exploration permit will be
 eligible for Canadian Exploration Expense treatment.
- Budget 2015 proposes \$38 million over five years for measures to enhance the safety of marine transportation in the Arctic, and to further strengthen marine incident prevention, preparedness and response in waters south of the 60th parallel.
- Budget 2015 proposes allocating \$23 million over five years from Natural Resources
 Canada to stimulate the technological innovation needed to separate and develop rare
 earth elements and chromite.
- Budget 2015 proposes \$42 million over five years to expand the footprint and resources
 of the Trade Commissioner Service (TCC). The TCC is a dedicated, professional group of
 employees that provide important support to Canadian businesses abroad, including in
 the mining sector, one of Canada's largest outward investors.

"Taken together, the federal government has maintained investments important to our sector, but also necessary to ensure Canadians benefit when the commodities market rebounds," added Gratton.

Increased borrowing limits good for NWT Infrastructure too

The Government of the Northwest Territories (GNWT) was also pleased with the Government of Canada's decision, announced in yesterday's federal budget, to increase the federally imposed borrowing limit to \$1.3 billion from \$800 million.

"Building a strong, prosperous Northwest Territories that provides jobs and economic opportunities is a priority for the Government of the Northwest Territories," said Premier Bob McLeod. "Today's announcement demonstrates that the Government of Canada shares our belief in the economic potential of our territory and is committed to supporting the aspirations of its residents."

"This increase in our borrowing limit gives the Government of the Northwest Territories increased flexibility to invest in much-needed infrastructure that will support the responsible development of the NWT and its economy and bring down the cost of living for communities and residents," said Minister of Finance J. Michael Miltenberger. "We are pleased that the federal government has recognized both the positive economic outlook for the territory and our disciplined fiscal management."

The GNWT has not yet determined what new projects it might undertake, but has previously stated that strategic investments in transportation and energy infrastructure that will support long term economic growth and address energy costs are priorities. Decisions on new investments will be made as part of the GNWT's normal planning processes and will include discussions with Members of the Legislative Assembly and other stakeholders.

"We also understand that future increases to the borrowing limit will consider the degree to which our debt is self-sustaining," said Minister Miltenberger. "This will ensure that the GNWT's prudent borrowing practices are reflected in the borrowing limit amount and should allow for additional flexibility to pursue Legislative Assembly priorities going forward."

The increased borrowing limit does not change the GNWT's current fiscal strategy, which is aimed at aligning expenditures to available revenues in a time of flat revenue growth.

Mining in Canada – Did you Know?

- Mining contributes more than \$54 billion to Canada's GDP and accounts for 20% of total goods exports.
- Approximately 380,000 people are employed in mining across Canada and well over 10,000 Aboriginal Canadians.
- Those who work in mining enjoy the highest wages and salaries of all industrial sectors in Canada with an average annual pay exceeding \$110,000. This surpasses the earnings of workers in forestry, manufacturing, finance and construction.
- The industry supports the second-largest supply sector in the world behind the United

- States with more than 3,400 businesses supplying the mining sector, including engineering, construction and financial services.
- Canada ranks in the top five countries in the global production of 11 major minerals and metals.
- Globally, Canada is recognized for its leadership in safety and sustainability. Mining
 companies were the first in the world to develop an externally-verified performance
 system for sustainable mining practices with the creation of the TSM initiative.

It's important to note that the Canadian mining industry's current contributions and presence in Canada cannot be taken for granted. Canada's strength in the mining industry – and the jobs and economic contributions that go along with it – are not a given. Canada is only one of many attractive countries to mine or to list, and the industry needs the right economic and regulatory ecosystem to thrive.

To learn more about the Canadian mining industry and its contributions to Canada and abroad, read our *Facts & Figures 2014* Report at www.mining.ca/resources.

New! Spring Mining North Magazine

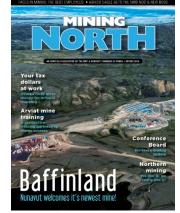
Our inaugural Spring issue of MiningNorth was released at the Nunavut Mining Symposium April 13-16, and is now posted on the Chamber website.

Stories include:

 Sharing the Wealth: Mining brings jobs, business opportunities and prosperity to the North. Aboriginal people are taking notice.

- Training for Success: Arviat's diamond drilling training program is an unqualified success. All it needed was a vision, a plan, a facility, students and some funding. And some help from Agnico Eagle.
- Mining Brightens Canada's Future in the North: An update on resource exploration and development across the North, by the Conference Board of Canada
- News Portal: Government mining support; Kiggavik hearings; Fraser Institute survey; Baffinland; Agnico Eagle; Fednay.
- Faces in Mining: Amie Nashilik; Ikey Evalik; Lizzie Mablik Nakoolak; Ola Arnaquq; John Kaiyogana.
- Guest Column: Nunavut Senator Dennis Patterson says mining can lead to a prosperous Nunavut economy.

Click <u>here</u> or on the magazine thumbnail to view the digital version of the magazine with hotlinks to all of our advertisers. Happy reading!!



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Scotiabank - Commodity Prices Tumble In March, But Will Strengthen In April

- Investors build positions in zinc, anticipating tightening supplies of zinc concentrates.
- Cameco signs landmark uranium supply contract with India a 'growth market' for nuclear power.

After rallying in February, Scotiabank's Commodity Price Index dropped by 3.7% in March, as oil prices once more retreated. The All Items Index is at its lowest level since January 2007 (32.8% below a year earlier). Nevertheless, a spring rally has emerged in April, with price gains for oil and base metals. LME zinc prices have spurted to US\$1.04 per pound, with traders & institutional investors anticipating a coming 'deficit' in zinc concentrates, in view of depletion at two big mines in 2005:Q3. Highlights from the report include:

The Metal & Mineral sub-Index lost further ground in March (-1.9% m/m, -13.4% yr/yr).
 Lower base & precious metal prices (excepting copper) and even lower iron ore prices more than offset slight gains in sulphur, uranium and molybdenum. Spot potash prices (FOB Vancouver) were flat at US\$322 per tonne. The spot price of iron ore, 62% Fe,

Scotiabank Commodity Price Index

- delivered to northern China dropped to US\$57 per tonne in March from US\$111.80 a year ago (-49%). While iron ore edged down further to a mere US\$46.70 on April 2, iron ore restocking and stepped-up production by Chinese steel mills lifted prices back to the US\$57 mark on April 24. It is probably too early to say that prices are bottoming, though BHP Billiton's decision to defer expansion at Western Australia's Port Hedland port is welcome news.
- On a more positive note, base metal prices have strengthened in April — led by zinc. Century in Australia (the world's third-biggest zinc mine, with capacity of 480,000 tonnes) and Lisheen in Ireland
 - (172,000 tonnes) will close in the third quarter due to mine depletion, cutting world supplies by almost 5%. After falling to US\$0.92 per pound in March, LME zinc has advanced to US\$1.04 in late April. Supply disruptions have also lifted copper to US\$2.76 from US\$2.69 in March; while relatively low, prices are still sufficient to yield an average world profit margin of 26%, given low diesel prices and currency depreciation against the U.S. dollar in major copper mining countries (Canada, Australia, Chile and Peru).
- Stronger base metal prices in late April have emerged, despite being pulled temporarily lower on April 14 by release of soft industrial production numbers for China (only 5.6% yr/yr in March not much higher than the 3.8% of January/February 2009). However, a detailed examination of the numbers reveals that 'non-ferrous metal smelting & refining' remained relatively healthy at 9.6%. Expectations for additional monetary & fiscal stimulus in China have probably contributed to recent price strength.

Download the entire newsletter <u>here</u> or click on the report thumbnail.

Nunavut Prospecting Funding Available

The Government of Nunavut is now accepting applications for the Nunavut Prospectors Program.

If eligible, you could receive up to \$8,000 yearly to help pay for wages, materials, supplies and transportation to explore for rocks, minerals and gemstones.

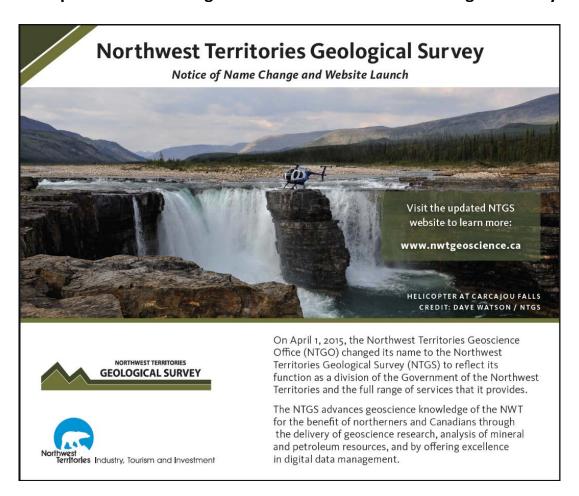
To be eligible you must:

- be a Nunavut resident;
- be 18 years of age or older;
- hold a valid prospecting licence; and
- have prospector training or experience.



For more information, please call toll free at 1-888-975-5999 or visit www.gov.nu.ca/edt, and click on the *Programs/Funding* tab.

Fanfare please! Announcing the Northwest Territories Geological Survey!



NWT Surface Rights Board members announced

NWT Minister of Lands Robert C. McLeod has appointed the five members to the new NWT Surface Rights Board. Louie Azzolini, Elizabeth Wright, Danny Bayha, Darrell Christie and Mike Vaydik were appointed effective April 1, 2015, each to a five-year term.

The Surface Rights Board will hear applications when a negotiated agreement relating to land access and compensation for that access cannot be reached between parties in the Gwich'in Settlement Area, Sahtu Settlement Area, Môwhì Gogha Dè Nîîtåèè (commonly referred to as the Tłįchǫ Settlement Area), Inuvialuit Settlement Region (NWT portion), and waters overlying those areas. The board will also resolve disputes relating to land access and compensation in unsettled areas.

"Giving Northerners a bigger say in decision making is what devolution was all about," said Minister McLeod. "These members are all NWT residents and bring a wealth of Northern experience and knowledge to the new board. Establishing this board and a fair process for dealing with land access issues will increase public confidence in the territory's regulatory system and certainty for investors."

The board will spend the next year working to establish bylaws and administrative functions and adopting necessary regulations to be able to carry out operations starting April 1, 2016.

The board is established under the <u>Surface Rights Board Act</u>, territorial legislation that mirrored federal legislation, as required by the Devolution Final Agreement which came into effect on April 1, 2014. Establishing the board is another milestone in the GNWT's ongoing implementation of devolution and contributes to achieving the 17th Legislative Assembly's priority of building a strong and sustainable future through implementing the Devolution Final Agreement and working with our partners to ensure responsible stewardship through our land and resource management.

More information about the board members is available in the backgrounder.

Employers: WSCC Change is coming to the Northwest Territories & Nunavut

I'm pleased to announce some exciting news on the Northern safety front. We can all expect new and improved *Occupational Health and Safety Regulations* this year, to better support safe Northern workplaces for workers and employers.

The new *Regulations* reflect how industries and technologies evolved throughout the last decades. They give workplaces a modern framework that is relevant to Northern operations today, and closes any gaps that once existed between the NWT, Nunavut, and other Canadian jurisdictions. By closing these gaps, employers operating in multiple territories or provinces will benefit from a better familiarity of OHS requirements.

The new *Regulations* see significant changes to language and layout, giving a clearer and more complete direction to ensure that workplace safety information is easily accessible by both workers and employers. Other changes are new requirements for hazard assessments; supervisor education; radiation; OHS Committees; First Aid; personal protective equipment;

and additional protection for electrical workers, health care workers, and firefighters. Additionally, one major highlight of the new *Regulations* is the increased support for an Internal Responsibility System (IRS), which allows employers and workers to ensure safe workplaces together.

The new *Regulations* will become law in the NWT on June 1, 2015, while Nunavut's proposed *Regulations* become law later in 2015, following changes to their territories' *Safety Act*.

These *Regulations* represent a piece of legislation that every one of us in the North should take pride in. They're the result of hard work and commitment by the Ministers' Safety Advisory Committee, who participated in extensive engagement opportunities with Northerners over the last few years to bring these *Regulations* to where they are today.

It's important for organizations to review these *Regulations* to see how the changes will affect your operations.

For additional information, including the new *Occupational Health and Safety Regulations*, visit our website at OHSRegs.ca.

We will also post updates to the effective date in Nunavut as it becomes available to the WSCC.

Welcome New Members!

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

Atlas Copco Mining and Rock Excavation Technique – This Atlas Copco business area provides equipment for drilling and rock excavation, a complete range of related consumables and service through a global network. The business area innovates for sustainable productivity in surface and underground mining, infrastructure, civil works, well drilling and geotechnical applications. Principal product development and manufacturing units are located in Sweden, the United States, Canada, China and India. Contact Michel Boivin, Account Manager at the northern office located in Yellowknife at 341B Old Airport Road. Visit: www.altascopco.ca.

Calendar of Events

- **2015 NAPEG AGM**, PD Conference "Life Long Learning What Experience Has Taught Us", May 14-15, 2015, The Explorer Hotel, Yellowknife, NT. Click here to register now.
- 2015 Dawson City International Gold Show, May 15-16, 2015, Dawson City, Yukon. Click here to register now.
- North of 60° Advancing the Natural Resource Industry in the Far North, June 11-12, 2015, Yellowknife Inn, Yellowknife, NT. Click here to learn more and to register.

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National Mining Week - hug a miner! ©



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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.

- 30 April 2015, Stornoway Announces Investment by Blackstone
- 30 April 2015, Avalon Announces Public Offering of up to \$5 Million
- 30 April 2015, Agnico Eagle Reports First Quarter 2015 Operating and Financial Results Strong Operational Performance Drives Record Gold Production and Low Costs - Amaruq and Kittila Drill Programs Yield Positive Results
- 30 April 2015, Kivalliq Closes Final Tranche of Cdn\$2,779,119 Private Placement
- 27 April 2015, <u>Kaizen Discovery announces the start of 2015 Canadian exploration activities at Coppermine in Nunavut and Aspen Grove and Tanzilla in British Columbia</u>
- 27 April 2015, Resignation of MMG Executive General Manager Business Development
- 27 April 2015, <u>TMAC Resources Completes Robust Pre-Feasibility Study on the Hope Bay Gold</u> Project
- 23 April 2015, Kennady Diamonds Announces Kelvin Diamonds Recovery Results
- 23 April 2015, Peregrine Provides Update on 2015 Diamond Resource Development Program
- 21 April 2015, North Arrow Reports Yellow Diamonds From Q1-4 Kimberlite Are Rare Type Ib <u>Diamonds</u>
- 21 April 2015, De Beers VP: "We must all invest now to increase our future returns"
- 20 April 2015, Kennady Diamonds Updates Kennady North Drill Program
- 20 April 2015, Dominion Diamond Corporation Files Annual Report on Form 40-F with SEC
- 20 April 2015, Kivalliq Closes Cdn\$1,522,800 First Tranche of Private Placement
- 17 April 2015, Stornoway Pours First Concrete for the Renard Diamond Plant
- 15 April 2015, MMG Limited releases its 2014 Annual Report
- 9 April 2015, <u>Dominion Diamond Corporation reports Continued Strong Operating Results</u> Supporting Dividend Declaration
- 9 April 2015, Northquest Ltd. Announces the Results of Preliminary Metallurgical Evaluation of the Vickers Zone of the Pistol Bay Gold Project, Nunavut, Canada
- 9 April 2015, <u>Kennady Diamonds Recovers 436 tonne Kelvin Bulk Sample: Intersects 76 meters</u> of Kimberlite at Faraday
- 7 April 2015, <u>Mountain Province Diamonds Closes Term Loan Facility to Fund Gahcho Kué to</u> Commercial Production
- 7 April 2015, Peregrine Reports On Warrant Exercise



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
Ekati Mine	Dominion Diamond Corporation, 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 1,400. Nov 6, GNWT approved Dominion Diamond Ekati Corporation's surety bond as security for approximately \$253 million under its Ekati water licence.	April 8 news release, Dominion Diamond Corporation reports Continued Strong Operating Results Supporting Dividend Declaration. The Company recorded profit before income taxes of \$166 million for the year (last year - \$4 million), and net profit attributable to shareholders from continuing operations of \$66 million or \$0.78 per share for the year (\$23 million last year). Included was the impact of foreign exchange on income tax expense. The Canadian dollar's weakening and change in foreign exchange rates resulted in income tax expense in the year of \$34 million or \$0.40 per share. Following the strong results of fiscal 2015, the Board of Directors has declared a dividend of 40 cents per share to be paid in full on May 21, 2015 to shareholders of record at the close of business on April 30, 2015. April 20 news release: Dominion Diamond Corporation has filed with the U.S. Securities and Exchange Commission its annual report on Form 40-F, which includes the Company's audited consolidated financial statements for the year ended January 31, 2015, prepared in accordance with International Financial Reporting Standards.
Ekati Jay Project	Dominion Diamond Corporation,	Diamonds	The Ekati Jay project is in Environmental Assessment. Ekati mine life currently ends in 2020, but if mining of the Jay pipe is approved, mining could be extended 10 yrs.	Technical Hearings on the project were held in Yellowknife the week of April 20.
<u>Diavik Mine</u>	Rio Tinto & <u>Dominion</u> <u>Diamonds</u>	Diamonds	Canada's largest producer of diamonds, 300 km NE of Yellowknife. Mine life through 2023. Became all underground mine in 2012. Work to develop new A21 open pit has begun and will cost US\$350m over 4 years. Workforce approximately 1,000. To Dec 31, 2013, the mine produced approximately 84 M carats of diamonds from the processing of approximately 22 M tonnes of kimberlite.	April 20, news release: Dominion Diamond Corporation reports Diavik Diamond Mine production results for the first calendar quarter of 2015. Processing volumes in the first calendar quarter of 2015 were 19% lower than the same quarter of the prior year, which was principally as a result of 3 factors. First, additional stockpile ore was available and processed during the comparable quarter of the prior year which was fully exhausted in calendar 2014. Second, production was negatively impacted as mining progressed through an area of higher than normal dilution in the A-418 ore body, which reduced ore availability from this pipe. The high dilution is a result of minor geotechnical rock falls encountered last year. Third, during the quarter upgrades made to the crusher plant to improve throughput, which led to a reduction in processing capacity. Diamonds recovered in the first calendar quarter were 20% lower than the same quarter of the prior year due to the lower volume of ore available for processing as described above. The development of the A-21 pipe is progressing according to plan.

NWT & Nunavut Chamber of Mines – Northern Mining News

Snap Lake Mine	De Beers	Diamonds	Canada's first all underground diamond mine. 220 kilometres NE of Yellowknife. Mine life to 2028. Workforce approximately 750.	On Oct. 31, the water license amendment environmental assessment received GNWT approval to proceed to permitting.
Cantung Mine	North American Tungsten	Tungsten, copper	Cantung is in the mountains of western NWT, ~300 km by road NE of Watson Lake, Yukon. Cantung Life of Mine Extended Beyond the end of 2017. Over the past 3 years, NTC has extracted over 1.4 million tons of ore at Cantung; yet their probable reserve estimates over that period have increased from the 1.69 million tons reported in 2011 to our current estimate of 1.82 million tons.	March 31 News Release: NTC Announces Update on the Cantung Dry Stack Tailings Facility and Reclamation Plan
Gahcho Kué	De Beers & Mountain Province	Diamonds	Proposed open-pit diamond mine approximately 180 km ENE of Yellowknife, NWT. Estimated mine jobs: 400. Mine life increased from 11-12 years in 2014 Feasibility Study. First production on schedule for Q3 2016. Peak construction workforce 700.	March 4 news release: Mountain Province Diamonds Inc. announced diamond recovery results from the 2014 Tuzo Deep drill program. March 17 news release: Mountain Province President and CEO Patrick Evans commented: (See story in this newsletter issue.)
<u>Nechalacho</u>	Avalon Rare Metals	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 in 2015 to attract Project financing and allow construction work to begin by summer 2015.	News Release April 29, 2015: Avalon Announces Public Offering of up to \$5 Million
NICO	Fortune Minerals Ltd.	Cobalt- gold- bismuth- copper	Proposed open pit and underground mine located 50 km NE of Wha Ti. Estimated mine jobs: 150	April 1 News Release: Fortune Minerals Releases 2014 Annual Financial Results
Prairie Creek	Canadian Zinc Corporation	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. Preliminary Feasibility Study scheduled to be completed later in 2015.	News Release March 27: New Mineral Resource Update At Prairie Creek Mine: Measured + Indicated and Inferred Resource Tonnages Increased, and Underground Exploration Drilling Program Underway. News Release March 31: Canadian Zinc Reports Financial Results for Fiscal 2014
Yellowknife Gold	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	News Release March 25: Tyhee Announces Delay In Filing Annual Financial Statements, primarily due to a current lack of funds to remunerate the Company's auditors and uncertainty related to the Company's ability to secure funds to complete the previously disclosed acquisition of an interest in Sutter Gold Mining Inc.
Pine Point	Tamerlane Ventures	Lead-zinc	Company proposes underground mine E of Hay River, NWT using freeze technology for water management. Est mine jobs: 225	News release March 28: Tamerlane receives positive NI 43-101 updated summary technical report for Pine Point. Company is in receivership.
Courageous Lake	Seabridge Resources	Gold	Proposed open pit mine 240 km NE of Yellowknife. 6.5 M oz proven and probable reserves. (Positive PFS July 2012)	New 5-year land use permit issued December 28 to allow up to 700 drill holes. In the 9 months of 2013, Company incurred \$5.3 M in exploration costs to complete the winter and spring exploration and drilling programs and assess the results of those programs.
Selwyn	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 Selwyn Resources.

Mines & Promising Nunavut Mine Projects

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

Project	Owner(s)	Commodity	Description	Status
Meadowbank Gold Mine	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: 736 Exploring potential satellite deposit called Amaruq, 30km from mine site.	April 30 release: Agnico Eagle Reports First Quarter 2015 Operating and Financial Results - Strong Operational Performance Drives Record Gold Production and Low Costs - Amaruq and Kittila Drill Programs Yield Positive Results
Mary River Iron Mine	Baffinland Iron Mines	Iron	In operation since September 2014; Open pit mine located 936 km N of Iqaluit with 5 known deposits. Estimated construction jobs: 3,500- 5,000. Estimated mine jobs: 715	Production from Early Revenue Phase (ERP) began September 8, 2014. First marine shipment of ore to markets anticipated May 2015. Baffinland has proposed a Phase 2 project with increased production and shipping to help with tough market conditions. Unexpectedly, for the first time in its 20 year history, the Nunavut Planning Commission declared unanimously that the amended proposal does not conform to the North Baffin Regional Land Use Plan (NBRLUP). The company has several options to pursue to advance this phase.
Doris North/ Hope Bay	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; Pending 2014 results; Plans to begin production by late 2016.	News Release April 1: TMAC Resources, KIA and NTI Sign Landmark Land Tenure Agreements for the Hope Bay Belt, Nunavut April 27 news release: TMAC Resources Completes Robust Pre-Feasibility Study on the Hope Bay Gold Project, with a projected 20-year mine life.
Meliadine Gold	Agnico Eagle Mines	Gold	Proposed open pit and underground gold mine, 25 km NE of Rankin Inlet. The Meliadine project was acquired in July 2010, and it is the Company's largest development project based on reserves and resources. The Company has a 100% interest in the 111,757 hectare property, which is linked to the town of Rankin Inlet by a 25 kilometer all-weather access road. Estimated construction jobs: 1,000 Estimated mine jobs: 700	March 12 news release: Agnico Eagle completes updated NI 43-101 technical report on the Meliadine gold project in Nunavut.
Kiggavik	AREVA Resources	Uranium	Proposed uranium mine 80 km W of Baker Lake. Estimated Construction jobs: 750 Estimated mine jobs: 600	NIRB Final Public Hearings were held March 2-20 in Baker Lake. NIRB decision expected on May 8, 2015.
Back River	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 March 20: Sabina Gold & Silver Announces Financial Results for the Year Ended 2014. \$32.5 million at December 31, 2014 in cash and equivalents .
Hackett River	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	PFS initiated in September, 2012. No activity reported in 2015.

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Izok Corridor Project (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 Kugluktuk. Estimated construction jobs: 1,140 Estimated mine jobs: 710	MMG examining alternative designs to reduce costs, add value, and improve economic viability of the project. Company stated publicly that project needs infrastructure assistance to become a mine.
Roche Bay	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. AEI and Parkson Star of Hong Kong signed MOU, May 17, 2014 to create JV Savik Iron Mines. Now working towards DEIS.
Chidliak	Peregrine Diamonds Ltd.	Diamonds	Located located 120 kilometres NE of Iqaluit, the capital of Nunavut, and 180 km S of Pangnirtung. 68 kimberlites have been discovered to date with 8 being potentially economic.	News release Mar 23: Peregrine Provides Update on 2015 Diamond Resource Development Program. The planned objective of Peregrine's 2015 Diamond Resource Development program is to confirm the grade estimates and provide representative diamond parcels to enable valuation of diamonds recovered from the CH-6, CH-7 and CH-44 kimberlite pipes. Kimberlites bulk sampled in the 2015 program will be included in a planned 2016 Preliminary Economic Assessment on a potential Phase 1 diamond mine development at Chidliak.
<u>Angilak</u>	Kivalliq Energy Corp.	Uranium	340,268 acre property located SW of Baker Lake; Hosts the high-grade Lac 50 Trend deposit. Kivalliq acquired property in 2008; 89,500 m on exploration and resource drilling to date; \$55 M on exploration expenditures to date; 13 new uranium zones discovered; Inferred resource 43.3 M lbs. U308 in 2.8 M tonnes grading .69% at.02% cutoff.	News Release April 30: Kivalliq Closes Final Tranche of Cdn\$2,779,119 Private Placement. Kivalliq will use the net proceeds from this Placement for corporate purposes, as well as to fund mineral exploration in Saskatchewan and the Nunavut Territory, Canada.
<u>Qilalugak</u>	North Arrow Minerals / Stornoway Diamonds	Diamonds	7 km from tidewater; 9 km from Repulse Bay, Melville Peninsula; 7,143 hectares of contiguous mineral claims. Largest kimberlite in Nunavut.	News Release April 21: North Arrow Reports Yellow Diamonds From Q1-4 Kimberlite Are Rare Type Ib Diamonds
Lupin & ULU	WPC Resources	Gold, silver	Located SE of Kugluktuk. Lupin mine: past production; 3.7 M oz. ULU deposit: indicated mineral resource; 751,000 tonnes	WPC news release January 19: WPC Resources to Acquire 100% Lupin Gold Mine and the Ulu Gold Project.



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Project Maps

