

Northern Mining News

Volume 9, No. 8

August 2016



In this issue:

Official opening coming: NWT's Gahcho Kué diamond mine.....	2
Nunavut's next mine meets milestone – processing plant safely offloaded.....	3
KIA, GN Want Minister to send Back River Gold Project back to regulator.....	5
Selwyn provides update on its Yukon-NWT border project.....	6
Transformational Canadian Infrastructure Project: Gray's Bay Port & Road.....	7
<i>In Memoriam</i> : Dominion Diamond Corporation's Bob Gannicott.....	8
<i>In Memoriam</i> : Leon La Prairie, May 27, 1926 – August 23, 2016.....	8
How's the diamond market doing you ask?.....	9
Whale Tail Decision Not a Surprise, Set to Undergo 2 Year Review.....	9
Let's put out the welcome mat for exploration and mining investment.....	11
Peregrine Diamonds files Preliminary Economic Assessment.....	12
Canadian Zinc's Prairie Creek outlook improving with Zinc price.....	12
Industry asks Canadian Mines Ministers for help.....	13
And here's what the Mines Ministers concluded re Mineral Development.....	15
Submit now! Fraser Institute Survey of Mining Companies 2016.....	16
Flow through funding – Mistakes, Myths and Misconcept.....	17
Scotiabank – Commodity Price Index – August 2016.....	17
Reminder: Nominations close Sept 30 for Arctic Inspiration Prize.....	18
First issue of Tli Cho Investment Corporation Newsletter.....	18
Welcome New Members!.....	19
Member News Releases this past month.....	20
Calendar of Events.....	21
In case you missed it: Survey reveals NWT Residents strong support for mining.....	22
Mines & Promising Northwest Territories Mine Projects.....	23
Mines & Promising Nunavut Mine Projects.....	26
Project Maps.....	29

From the Executive Director ...

New mines are advancing in both NWT and Nunavut. The official opening of the Gahcho Kué diamond mine is fast approaching in September, where diamond production will offset that lost by the Snap Lake mine suspension. TMAC's Hope Bay mine process plant has now been delivered by sea from Australia and assembly has begun, marking the last critical step to mine completion.

On a sad note, Bob Gannicott, an icon in the Canadian diamond mining business, behind companies including Aber Diamonds, Harry Winston and most recently Dominion Diamond Corporation, has succumbed to the cancer he was fighting. Another old time northern explorer, Leon La Prairie has also passed away at the age of 90.

The Government of Nunavut and the Kitikmeot Inuit Association have released a pamphlet on the game changing Grays Bay Road and Port. As it so correctly states: the project will evoke the spirit of nation building that spurred construction of the Canadian Pacific Railroad 135 years ago.

Happy reading! ... Editor

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

Official opening coming: NWT’s Gahcho Kué diamond mine

The official opening of the NWT’s newest diamond mine, Gahcho Kué, is scheduled to take place on September 20. The mine is a 51/49 per cent joint venture between De Beers and Mountain Province Diamonds.



Mountain Province reports that construction of the mine was completed during the second quarter, and commissioning of the Gahcho Kué diamond plant was completed ahead of schedule.



A sampling of first produced Gahcho Kué diamonds. On right are two gem quality “special” large diamonds that were recovered on July 29 and August 1, 2016 (Mountain Province Diamonds)

First ore at the Gahcho Kué mine was exposed in the mine on March 23, 2016. Under the commissioning phase first ore was introduced to the process plant on June 20, 2016, and first commissioning diamonds were recovered on June 30, 2016.

Kim Truter, Chief Executive Officer, De Beers Canada, said Gahcho Kué will have a significant impact on the diamond industry: “Gahcho Kué will not only strengthen De Beers in Canada, but ensure Canada remains the third leading diamond producer, by value, in the world. We are excited to see this project move into the production phase and must congratulate our Gahcho Kué team and thank our community partners for helping us deliver this world-class mine.”

Two gem quality “special” (+10.8 carat) diamonds were recovered during the ramp up commissioning phase. A 12.10 carat diamond was recovered during plant commissioning on July 29, 2016, and a 24.65 carat diamond was recovered on August 1, 2016 (see photos).

During the quarter ended June 30, 2016, Mountain Province entered into agreements with third parties for the valuation, sorting and marketing of its share of the diamond production from the Gahcho Kué Diamond Mine. The Company expects to have its first sale of pre-commercial production diamonds during Q4 2016 and approximately every five weeks thereafter.

The first split of ramp up diamond production between Mountain Province and partner De Beers is scheduled for mid-September and Mountain Province’s first diamond sale is expected to take place before the end of 2016.

At June 30, 2016, incurred costs of \$995 million and commitments of \$35.3 million on 100 per cent basis had been incurred.

On August 11, the Gahcho Kué Diamond Mine had 451 full-time employees. Ramp up to commercial production is underway and the mine is on track to achieve commercial production in January 2017.

Annual production from Gahcho Kué is expected to offset the production lost with the closure of the Snap Lake diamond mine.

For more details on the Gahcho Kué mine, click [here](#) for Mountain Province’s latest presentation.

Nunavut’s next mine meets milestone – processing plant safely offloaded

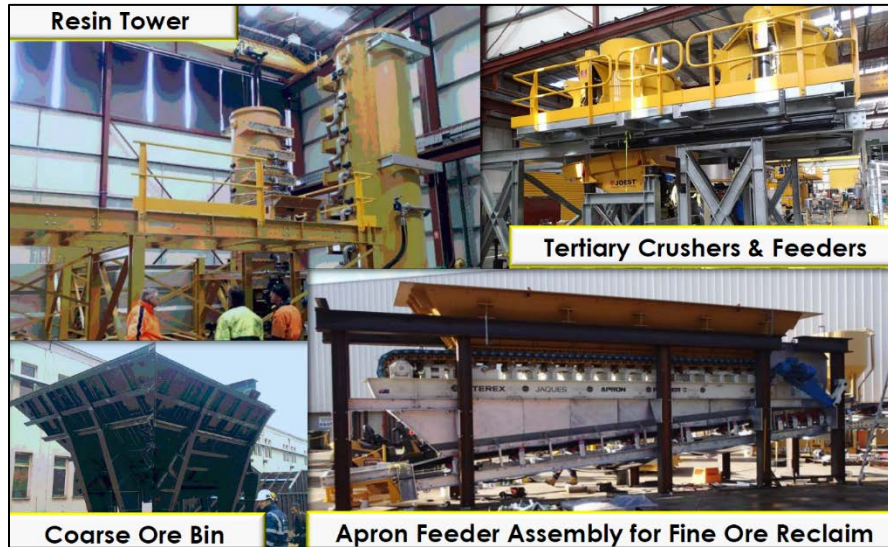
On August 29, TMAC Resources reported that the processing plant fabricated by Gekko Systems Pty of Ballarat, Australia has now been safely offloaded at the Hope Bay Project in Nunavut.

Dr. Catharine Farrow, Chief Executive Officer of TMAC, stated, "We remain on track to advance the Hope Bay Project towards commercial production in early 2017. As of this week, the mill building is nearing full completion with the steel erected, the wall panelling and roofing installed and only some civil work remaining. We have initiated the movement of the recently offloaded processing plant components into the mill building. With this critical portion of the 2016 sealift behind us we are now totally focused on assembling and commissioning the processing plant as planned. Additionally, the underground mining continues to advance

smoothly. We remain on plan and budget and are making excellent progress toward building the first gold mine in what we believe to be Canada's next gold mining district."

TMAC Resources Inc. had reported earlier in the month that work to advance the Hope Bay gold mine is on track. In it, Dr. Farrow reported that, "We remain on

track and on budget with our progress to advance the Hope Bay Project towards commercial production in early 2017. As of this week, we are approximately 87% complete with steel erection, wall panelling and roofing of the Mill Building, and 75% complete on floor and plinth concrete pouring. TMAC remains focused on executing this critical stage in our evolution as we build the first gold mine in what we believe to be Canada's next gold mining district."



Some of the equipment to be installed in the Hope Bay process plant.

2016 OUTLOOK – Hope Bay Project

- Deliver the Processing Plant, mobile equipment and diesel fuel in the 2016 sealift.
- Complete erection of the Mill Building and the installation of associated services.
- Complete the installation of and initiate commissioning of the Processing Plant.
- Complete preparation of the tailings impoundment area ("TIA") to receive tailings.
- Stockpile by December 31, 2016, 110,700 tonnes of ore with an estimated 55,600 ounces of contained gold that, at a 94% recovery rate, amounts to 52,300 ounces of recoverable gold.
- Obtain the amended Doris Permits.
- Complete and submit the draft environmental impact statement ("DEIS") on Madrid and Boston.

In late breaking news, on August 30, TMAC [announced](#) that the Federal INAC Minister had accepted the NIRB recommendation that TMAC's proposed amendments to the Doris North Project be allowed to proceed. This clears the way for the NIRB to finalize the amended project certificate. It also allows the Nunavut Water Board to proceed with consideration of an amended water license. The public hearing on the new water license for the Doris North Project is scheduled for mid-September.

TMAC is currently permitted to deposit 458,000 tonnes of tailings (approximately 1½ years of currently planned production) into the already permitted tailings impoundment area. The requested amendment increases the number of tonnes that may be deposited in the TIA to 2,500,000 tonnes, sufficient for the current life of mine production plan at Doris.

KIA, GN Want Minister to send Back River Gold Project back to regulator

On August 30, Sabina Gold & Silver Corp. reported that both the Kitikmeot Inuit Association and the Government of Nunavut has asked the Federal Minister to send their Back River Gold Project back to NIRB for further consideration.

On June 16, 2016, Sabina announced that the Nunavut Impact Review Board (“NIRB” or the “Board”) in a Report, recommended to the Minister of Indigenous and Northern Affairs Canada (the “Minister” and “INAC”) that the Back River Project not proceed to the next phase of permitting at this time. In response, Sabina submitted an extensive response to the NIRB Report to the Minister and requested that the Minister either reject the Report or send it back to NIRB for further review.

In response to July 9 and July 22, 2016 letters from the Government of Canada (“GoC”) requesting feedback on the NIRB Report, the Kitikemout Inuit Association (“KIA”), which is the designated Inuit organization responsible for the lands and the people of the Kitikmeot Region, and the Government of Nunavut (“GN”) have both requested that the Minister return the Project to NIRB for further review under Section 12.5.7 (e) of the Nunavut Land Claims Agreement, where it states:

“where the report is deficient with respect to ecosystemic and socio-economic issues, refer the report back to NIRB for further review or public hearings; upon such further review or hearings, NIRB shall submit a further report to the Minister which shall be accepted or rejected in accordance with subsections (a), (b), (c) or (d).”

Sabina has also continued to extensively engage and consult with community members, hunters and trappers organizations, hamlets councils, advisory committees, the KIA, Nunavut Tunngavik Incorporated, territorial governments and federal regulatory agencies. These efforts have resulted in continued broad support for Back River as evidenced by the many letters to the Minister in favour of the Project and in the KIA letter to the Minister, which confirms “Inuit support for the Project is firm across the Kitikmeot Region, as indicated by the results of Sabina’s recent community consultation tour.” To see these letters click [here](#).

In the August 24, 2016 KIA response letter to the Minister, Stanley Anablak, KIA President also states, “KIA agrees that Sabina has proposed to conduct careful and comprehensive caribou monitoring and mitigation programs based in a Wildlife Mitigation and Monitoring Plan (WMMP) and a Wildlife Effects Monitoring Plan (WEMP). While KIA is satisfied with these Plans, it should be noted that they were only finalized during the hearing and that these final details were the subject of a joint submission by Sabina, KIA and the Government of Nunavut on the final day of the hearing. Unfortunately, that meant the [NIRB] Board did not have the benefit of a full airing of these revised plans.”

And further, “As a result, KIA recommends that the Report be returned to the Board under paragraph 12.5.7.(e) with your [Minister of INAC] instructions to focus any further investigations on matters related to the Project’s impacts on caribou and the best approaches to mitigation of such impacts.”

In the August 22, 2016 GN response letter to the GoC they write, “In the GN’s opinion, it is possible to develop terms and conditions to address the concerns expressed by the NIRB of the efficacy and adaptability of mitigation measure[s] for terrestrial wildlife, including caribou. Accordingly, referring the Final Hearing Report back to the NIRB for further review and public hearings may be the most responsible and expeditious way forward, and the one that provides the best opportunity to advance responsible development to provide economic opportunities for Nunavut’s communities while respecting Inuit societal values and protecting the integrity of our land, water and wildlife.”

While not a regulator in Nunavut, the Government of NWT also responded to the GoC in support of the Project. In their August 22, 2016 letter they state, “The GNWT’s conclusions and recommendations regarding the Back River Project remain unchanged from those provided in the Final Written Submission and the public hearings”. At the hearings, the GNWT’s position was that they were encouraged by Sabina’s additional commitments made during the final hearings in regards to developing its wildlife programs and that there is the potential for the Back River Project to provide positive economic development opportunities for Nunavut and NWT residents.

“We appreciate all of the support we have received from Kitikmeot Inuit,” Said Bruce McLeod, President & CEO “Of equal importance are letters submitted to the Minister from the KIA and GN. These groups represent the rights and desires of the Inuit of the Kitikmeot Region, who continue to express that jobs and economic benefits are critical to their constituents and that responsible mining is an opportunity by which these are achievable. The letters also demonstrate the collaborative approach taken by Sabina and these stakeholders to address concerns about the Project and that these concerns, particularly about caribou, are resolvable.”

In its July 22, 2016 letter, the GoC requested input from additional stakeholders by September 6, 2016. At that point, the Minister will have all the information necessary with which she can review the file. In the meantime, Sabina is continuing to work towards a re-engagement process to be ready for any decision on the Project by the Minister and is working with the KIA to progress final land tenure and supporting agreements.

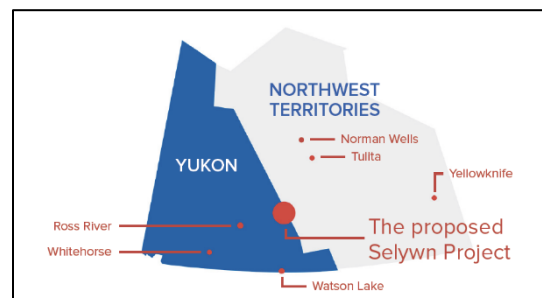
Read the full release [here](#).

Selwyn provides update on its Yukon-NWT border project

Selwyn Chihong Mining Ltd. provided a community update to Tulita in July.

Highlights of the project include:

- Capital cost - ~\$2 billion
- 2 years construction, with approximately 1,500 workers
- Projected to start mining production in 2022
- Mine life: Phase 1 - 10+ years
- Operating costs - ~\$950 million per year





- Operations workforce projected at 700
- Processing capacity of 38,500 tonnes per day using conventional milling and flotation to yield an estimated 2,500 tonnes of zinc concentrate and 600 tonnes of lead concentrate per day
- Concentrate will be trucked through the NWT and Yukon to the Port of Stewart for export
- Power supply Liquefied Natural Gas - ~ 15 loads LNG per day
- Concentrate production: zinc in bulk and lead in Bags

Learn more about the project [here](#).

Transformational Canadian Infrastructure Project: Gray’s Bay Port & Road

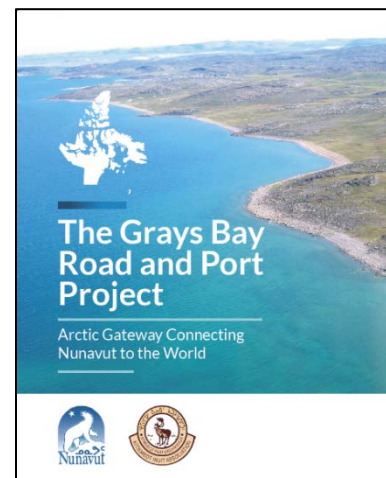
“This effort will evoke the spirit of nation building that spurred construction of the Canadian Pacific Railroad 135 years ago.”

A new publication has been released by the Nunavut Government and the Kitikmeot Inuit Association that describes the nation building project that has become a northern priority for them.

The Grays Bay Road and Port Project (GBRP) is a transportation system that, once completed, will connect the rich mineral resources of Canada’s Slave Geological Province, which straddles Nunavut and the Northwest Territories, to arctic shipping routes. The GBRP consists of a 227 km all-season road linking the northern terminus of the Tibbitt-Contwoyto Winter Road to a deep-water port at Grays Bay on the Northwest Passage.

The development of GBRP infrastructure will stimulate private investment in the Western Arctic, encouraging development of resource projects that will be able to transport a range of commodities to export markets throughout the world.

The GBRP will also connect Nunavut to the national highway and rail systems in the Northwest Territories via the Tibbitt-Contwoyto Winter Road, and in doing so, will forge the first overland connection between Canada and a deep-water port on the Arctic Ocean. The port will further serve as Canada’s first and only deep-water port in the Western Arctic, strategically located at the mid-point of the Northwest Passage.



The GBRP is a transformational project of national significance that will help to define northern economic development throughout the 21st century. The project will help to bridge the significant infrastructure gap that Canada's North currently faces by creating a transportation backbone that improves the quality of life in northern communities and overcomes barriers to regional economic and business development.

Learn more by downloading the document [here](#).

In Memoriam: Dominion Diamond Corporation's Bob Gannicott

After an extended battle with leukemia, Robert Gannicott passed away on August 3 at the age of 69, with his life-partner, Geraldine Peacock at his side.

"It is a sad day at Dominion. Bob Gannicott was a visionary and a pillar of the Canadian diamond industry. He built the Company from the ground up, taking it from a junior mining company to what it is today as Canada's largest independent diamond producer. Bob was an exceptional leader as well as a good friend and mentor, he will be deeply missed by all who had the good fortune to work with him and to know him," said Brendan Bell, Chief Executive Officer of Dominion Diamond Corp, the company he founded.



Courtesy Dominion Diamond Corp.

Mr. Gannicott was a member of the Board of Directors of the Company since the Company's inception as a diamond company in 1992. He was Chairman of the Board from June 2004 until April 2016, and was Chief Executive Officer of the Company from September 1999 to July 2015.

Mr. Gannicott led the Company through its growth following the Company's discovery and founding of the Diavik Diamonds Project in 1994 and 1995, through to the acquisition of the iconic American luxury diamond jewelry brand, Harry Winston. He later took advantage of a rare opportunity with the acquisition of the Ekati Diamond Mine and sale of Harry Winston, returning the Company to its roots as a pure-play Canadian diamond miner. The Company was re-named Dominion Diamond Corporation.

In Memoriam: Leon La Prairie, May 27, 1926 – August 23, 2016

We have also learned that Leon La Prairie, known to many of us in his role with Darnley Bay Resources exploring around Paulatuk, has passed away at the ripe old age of 90.

Born in Timmins, Ontario to Beatrice and Adolphe 'Lap' La Prairie, Leon was the fifth of nine children. The family moved to Toronto in 1934, where Leon attended De La Salle School and then the University of Toronto, graduating from Geological Engineering in 1951.

After university, Leon went north where he spent several years prospecting in the bush and living in the Arctic. Upon his return to Toronto, Leon was a fixture on Bay St. for the next 60

years and famous within the mining community for his promotion of mining ventures and legendary parties.

In his mining business, Leon was involved in properties across Canada from the NWT and Yukon to Newfoundland, including Matt Berry Mines, Vedron Gold, Darnley Bay Resources and Peat Resources. When not at the offices of La Prairie Ltd, Leon was often found out on Lake Ontario in the NO37, his prized boat.

Leon is off on a new journey plying the waters in his beloved boat. Safe journeys NO37 you will be missed. Thank you to the staff at Brock Fahrni Pavilion, Vancouver, for the care and comfort to Leon over the past year.



Photos taken from "[A Day in the Life of Leon La Prairie](#)"

Click [here](#) for the full Globe and Mail Obituary, and click [here](#) or on the photos above for an interesting story with Leon in the 1950s.

How's the diamond market doing you ask?

Dominion Diamond reported the following in its August 18th news release:

After buoyant market conditions in the first quarter, rough prices stabilized in the second quarter supported by confident U.S. retail demand. The positive conditions in the first half of the year reduced inventories throughout the pipeline and improved liquidity in the industry. However despite the improvements in sentiment, the banks that finance the industry remain cautious. The retail markets outside the U.S. remain impacted by the strong U.S. dollar, making jewelry comparatively expensive in domestic currency terms. Despite declines in the top end luxury sector, retail demand growth in China is focused on the broader commercial sector of the market supported by a growing middle class. Also in the Far East, Japanese demand remains robust supported by luxury tourism from China. Conversely, the retail markets in Europe, Hong Kong and the Middle East remain somewhat subdued.

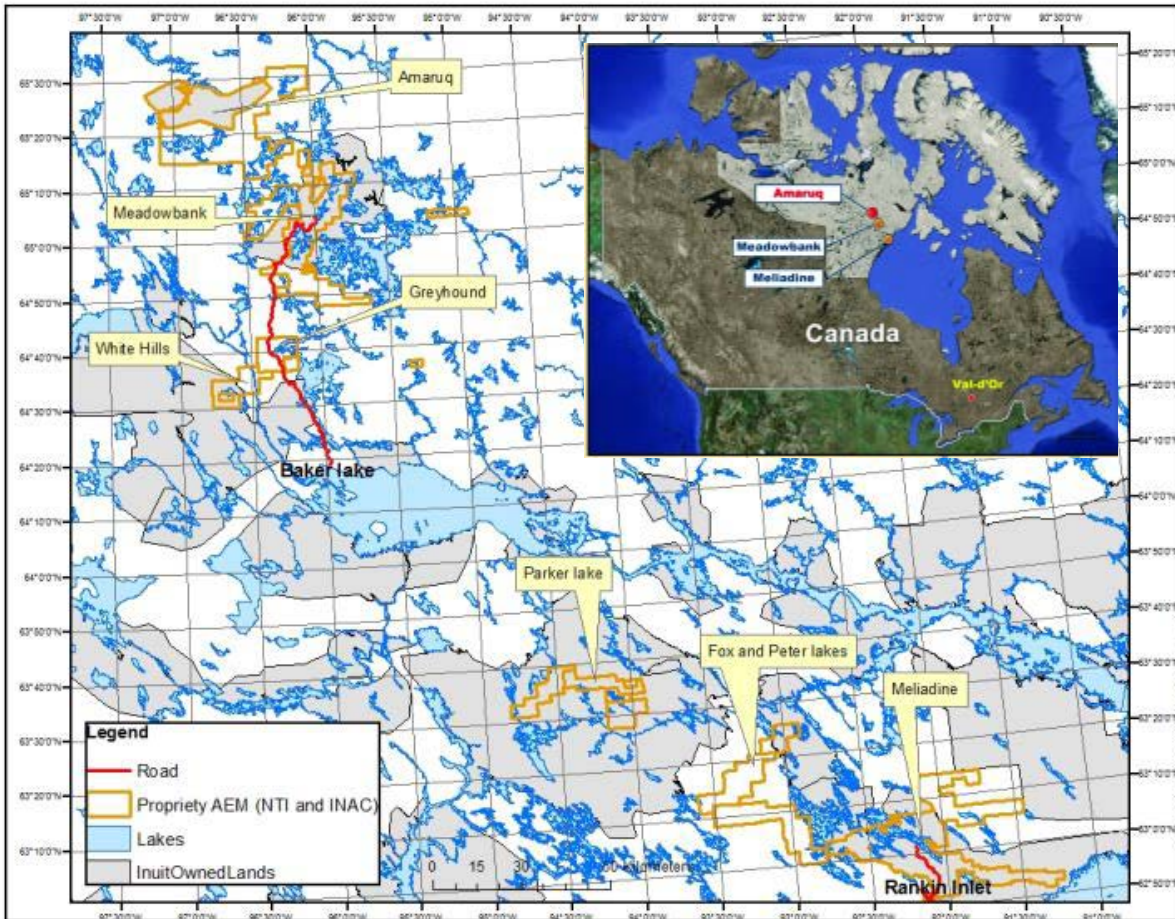
Whale Tail Decision Not a Surprise, Set to Undergo 2 Year Review

Agnico Eagle Mines' Whale Tail pit at Amaruq, 50 kms from its Meadowbank mine north of Baker Lake, will undergo a full environmental review, a process that will likely take two years, more or less.

The proposed Whale Tail pit is part of the Amaruq deposit, located northwest of the main Meadowbank site. It is proposed to connect to Baker Lake by a 62 km winter road.

Construction of the \$70 – 80 M Amaruq Exploration Access Road is expected to be completed by the end of 2017.

In a briefing to investors on its Q2 results, the company described important drill results at both the Whale Tail and Vzone pits. In terms of sequencing, Whale Tail comes first, with production in 2019, followed by Vzone a couple of years later, subject to permitting.



Agnico Eagle Nunavut Exploration Areas

The Nunavut Impact Review Board (NIRB) released its Aug. 18 screening decision on Amaruq on July 21.

"After considering submissions from parties and reviewing the project description, the NIRB provided its determination that the proposed Whale Tail Pit had not been assessed as part of the original Meadowbank Gold Mine Project, and due to its location outside of the original Meadowbank project footprint, would require a separate screening assessment under the (Nunavut Planning and Project Assessment Act)," stated board chairperson Elizabeth Copland in a letter to the federal minister responsible and Kivalliq Inuit Association president David Ningeongan.

The company had requested an amended certificate, but the board's decision was not a shock, and the company has already filed its environmental impact statement with NIRB in anticipation of its decision.

"We were approaching it as we did for Vault (pit), as a satellite deposit. However, we knew full well that the NIRB would be looking at it with a broader perspective, looking at all the variables, so it was not a surprise," said Dale Coffin, corporate director of communications at Agnico Eagle in a recent news article.

"The minister now has 90 days to approve the recommendation made by NIRB. The process won't start until the minister has actually made that approval," said Coffin. "We're optimistic that the approval will come sooner than 90 days. It's pretty obvious what the decision is, we agree with the decision, can the minister now approve it in a time frame that's more efficient. "

The full environmental review should take about 2 years.

Let's put out the welcome mat for exploration and mining investment

"Is our investment not welcome in Nunavut?"

(A recent op-ed submitted to Northern news media by Elizabeth Kingston, Chamber of Mines General Manager-Nunavut)

All contracts are based on "consideration," that is, something of value is given in return for a performance or a promise of a performance by another.

You pay for a product or service, and expect something in return. That is why Canada's consumer laws are in place — to ensure buyers get their money's worth.

But can the same be said for the mining industry in Nunavut? Is it getting the consideration it deserves for the high-risk investments it makes?

Mining and exploration companies have been operating in good faith, conducting their programs under the watchful eye of regulatory authorities, and investing millions of dollars over the course of many years, all in the slim hope of making an exciting discovery that will pay off for them and their stakeholders, including governments, Inuit organizations, communities, individual Nunavummiut, and investors.

But what we seem to be getting lately in return from government and regulators is a lot of "no", which leaves our industry puzzled and disillusioned.

Is our investment not welcome in Nunavut? I mean, don't we have a good thing going here?

The geologists all agree that there is a high level of mineral potential in Nunavut. This is an inherent natural resource — largely untapped — that can benefit an awful lot of people.

There is a growing sense of a real lost opportunity here, and we are concerned. After all, a viable minerals industry will be required to make devolution a success.

What's really sad is that our industry will be left with little choice but to close up shop and try somewhere else.

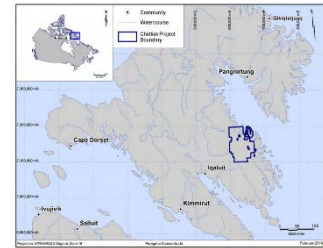
Evidence of this is already apparent with exploration camps packing up and early prospecting projects being put aside for another time.

Let's turn this around, so that an exodus doesn't happen and we can keep our northern mineral investment dollars right where they belong — here in our own community.

Let's show our appreciation for the exploration and mining companies that have made such a big commitment to this territory and send the message that they are welcome here.

Peregrine Diamonds files Preliminary Economic Assessment

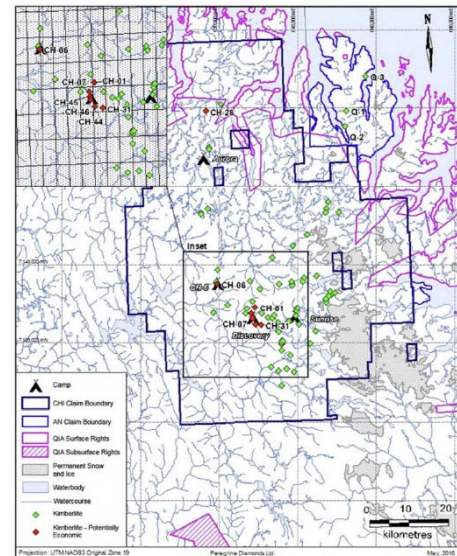
The Chidliak Phase 1 Diamond Development Project comprises 74 kimberlite pipes (71 on CHI claims and three on AN claims) (Figures below). Of these, 45 are known to be diamondiferous, and two kimberlites, the CH-6 and CH-7 bodies, have been adequately sampled and explored in order to define an Inferred Mineral Resource estimate.



Chidliak location map.

The CH-6 and CH-7 deposits are conducive to open pit mining and are envisioned to produce a total of 7.1 Mt of processing plant feed, and 51 Mt of waste (7.2:1 overall strip ratio), over a 10-year mine life.

The kimberlite processing plant and tailings management facility (TMF) will be located within 2.5 km of the CH-6 pit, as it contains the higher value resource, and would therefore be mined first. The TMF will be designed as a conventional facility, planned to be located adjacent to the processing plant.



Chidliak kimberlite pipes

The processing plant will operate year-round at 2,000 tonnes per day (t/d) using three stages of crushing, scrubbing and de-gritting, dense media separation, high intensity magnetic separation and X-ray recovery.

It is projected that approximately 11.6 million (M) carats (ct) of diamonds will be recovered over the 10-year mine life, yielding an average life of mine grade of 1.67 carats/tonne (ct/t).

Access to the site will be by all-weather road from Iqaluit. Annual supplies, except for specialty and perishable items, will be transported to Iqaluit during the summer ocean transport season.

The project is located in the Arctic and as such will be designed to withstand severe cold conditions as experienced by other Canadian diamond mines.

Download the entire PEA report [here](#).

Canadian Zinc's Prairie Creek outlook improving with Zinc price

Canadian Zinc's focus for 2016 will be to continue to advance the Prairie Creek Mine towards production. The updated 2016 Pre-Feasibility Study ("2016 PFS") indicates a robust project at consensus forecasts for the long term prices of lead and zinc and there is good potential for additional project optimization, enhanced economics and further extending the mine life. The 2016 PFS, with the Base Case economic model, indicates a Pre-tax NPV, using an 8% discount of

\$509 million, with an IRR of 32% and Post-tax NPV, using an 8% discount, of \$302 million, with an IRR of 26% with an initial mine life of 17 years and payback period of three years.

The strong fundamental results derived from the economic model combined with improving commodity prices and a strong outlook for zinc prices helped the Company to raise \$10.2 million in new financing in July 2016.

Several commercial banks have expressed indicative interest in providing senior, secured project financing for the Project. From discussions and investigations to date, while there is considerable interest on the part of financial and commodity institutions, particularly in the context of the positive outlook of the price of zinc. It has been indicated that the opportunity for raising bank debt financing for Prairie Creek would be enhanced with the production of a definitive or bankable feasibility study which would address all of the contingences in the required detail and help to manage or reduce the various risk factors. The Company is considering the benefits of continuing to work towards completion of a definitive feasibility study which could be required to support bank debt or other senior financing.

The 2016 PFS identified a number of project opportunities that, if implemented, could yield economic, operational and environmental benefits. The Prairie Creek Mineral Resource would support a substantial increase in mining/milling rates and a high-level assessment is envisaged of substantially increasing the mill capacity with various scenarios of mining and milling, including possible mill expansion, that could lead to improved economics with more metal being mined and milled per year.

Some of these recommended mill capacity studies and metallurgical testing studies have been initiated, along with the ongoing environmental assessment and permitting of the proposed all season road. The Company expects both initiatives will be carried out over the balance of the year.

Zinc has led the revival in base metal prices in the first half of 2016. The Zinc price increased around 16% in the second quarter of 2016, its best performance since 2010, taking its improvement in the year to date to 38.6%. Recent spot prices for Zinc have been over US\$1.02 per pound. The long term outlook for lead and zinc remains very positive and, supported by the results of the 2016 PFS, Canadian Zinc will continue to evaluate all alternatives and possibilities for raising the senior financing necessary to complete the development and construction and put the Prairie Creek Mine into production.

Read the full release [here](#).

Industry asks Canadian Mines Ministers for help

Action needed to regain Canada's leadership in mineral exploration and mining

At this year's annual Energy and Mines Ministers' Conference held in Winnipeg in August, Canada's mineral exploration and mining industry asked Canadian Energy and Mines Ministers to work on tackling several challenges that have resulted in Canada dropping to second place behind Australia as the most desirable mining destination in the world.

Restoring Canada's status as the top exploration and mining jurisdiction in the world will require concerted and sustained effort by all jurisdictions. CMIF looks forward to working in partnership with governments, industry, communities and Aboriginal partners to support a sustainable and competitive Canadian exploration and mining sector.

A brief submitted to the 73rd annual conference by the Canadian Mineral Industry Federation (CMIF) details 7 policy priorities that will help the industry overcome current challenges.

1. **Financing for early-stage exploration:** CMIF asks that all jurisdictions in Canada maintain and enhance fiscal incentives. In particular, the Ministers are asked to support the renewal of the Mineral Exploration Tax Credit (METC) and to sustain the flow-through shares system. These measures have helped Canada attract billions of dollars in investment and led to the creation of thousands of jobs in remote areas of the country.
2. **Regulatory environment:** The Ministers should ensure that the recently announced federal review results in an effective regulatory process that the public has confidence in, and that improves the competitiveness of the industry and attracts much-needed mineral investment to Canada. Federal-provincial coordination in this area is critical and provinces are strongly encouraged to participate fully in the review.
3. **Aboriginal affairs:** CMIF recommends that governments support efforts to enhance the participation of Aboriginal peoples in the industry through investments in health, education and skills-training, and government benefits and resource revenue sharing. CMIF also recommends that governments examine and address challenges related to how they are implementing the duty to consult.
4. **Address the costs of operating in remote and northern Canada:** CMIF recommends the creation of a northern infrastructure fund within the proposed Canada Infrastructure Bank, and strategic fiscal incentives to help offset the high costs of exploring and operating in remote parts of Canada.
5. **Climate change, clean technology and innovation:** The Federal Government should invest \$50 million over five years in the Canada Mining Innovation Council's Towards Zero Waste Mining strategy to achieve mutual goals of reducing GHG emissions and environmental impacts, and to support the transition to a lower-carbon future.
6. **Land withdrawals:** Removal of highly-prospective areas is reducing the attractiveness of Canada as an exploration destination. CMIF is calling on all jurisdictions to ensure that mineral potential is factored into all land withdrawal decision-making processes.
7. **Strengthening Energy and Mines Ministers' Conference:** CMIF encourages Mines Ministers to undertake a study to understand how similar meetings are used as a means to drive improvements in government and industry performance.

"As the downturn is still being felt by the mineral exploration and mining industry, action is required to ensure Canadians are able to capitalize on the great opportunities that lie ahead. We will work with all jurisdictions and the Federal Government to ensure that Canada's reputation and attractiveness as the premier location for global mineral investment is regained. In doing so, the substantial social and economic benefits—to all Canadians—that accompany these investments will be enjoyed," says PDAC President, Bob Schafer.

“The mining sector’s ability to continue its role as a powerful economic driver and top employer in regions across the country is in large part dependent on the decisions made by Canadian governments. There are incredible opportunities to achieve shared goals when it comes to socio-economic development, innovation, protecting the environment and solidifying Canada’s leadership in mining—let’s work together to seize them,” says MAC President and CEO, Pierre Gratton.

And here’s what the Mines Ministers concluded re Mineral Development

The ministers reaffirmed the fundamental importance of Canada's exploration, mining and mineral processing industry to our economy, our financial sector and to our remote and indigenous communities. Maintaining and enhancing Canada's attractiveness as a global mining and exploration destination are critical to the health of our economy and to the ongoing development of our country.

Recognizing the importance of Canada's junior exploration and mining sector in identifying and developing the next generation of economic mineral deposits, the ministers committed to seeking out opportunities for collaboration to enhance mineral geoscience programs across jurisdictions and to expanding the availability of public geoscience data to help facilitate grassroots exploration by the junior mining sector.

Canada's federal, provincial and territorial mines ministers emphasized the importance of promoting stable, coordinated and supportive regulatory regimes governing our nation's abundant resources and the importance of extensive and reliable networks of infrastructure.

Ministers recognized the need to build on Canada's reputation as a global leader in environmental performance and worker health safety standards. Ministers committed to continue identifying new and innovative methods for managing environmental liability and to developing a consistent and transparent methodology for calculating mine reclamation security, including the total amount of liability that exists.

The ministers also encouraged industry leaders to promote innovation and enhance opportunities for the development, deployment and commercialization of green mining technology to continue improving the environmental performance and competitiveness of Canadian mining companies and ensure healthy ecosystems for future generations.

The Mining Sector Performance Report was also tabled for release at the ministers' meeting. This report is produced every three years and tracks progress with a set of economic, social and environmental indicators and helps to identify areas for collaborative efforts.

Looking ahead

These actions, taken by federal, provincial and territorial governments, will promote Canada's role as a global supplier of natural resources while ensuring long-term economic prosperity for all Canadians.

The ministers will meet again in August 2017 in St. Andrews, New Brunswick, for the next Energy and Mines Ministers' Conference.

Quotes

"The natural resource sectors are an important source of jobs and benefits to the middle class. We will continue to work with various levels of government, Indigenous groups, industry and other stakeholders to ensure that Canada's resource sectors remain sustainable, globally competitive and sources of jobs and economic growth, now and into the future." ... Jim Carr, Canada's Minister of Natural Resources

"Innovative partnerships between governments, Indigenous communities, industry and other stakeholders are critical as we move toward the creation of a sustainable and prosperous energy and mines sector in Canada. This week's meetings allowed energy and mines ministers from every region of our country to share how they are pursuing our common goals of strengthened communities, diversified economies and enhanced quality of life for all Canadians." ... Cliff Cullen, Minister of Growth, Enterprise and Trade for Manitoba

Submit now! Fraser Institute Survey of Mining Companies 2016

Collection of data for the Fraser Institute's 20th annual survey of mining companies has begun and will continue until Friday November 4th. The data collected will allow the survey team to identify those provinces, states, and countries that pose the greatest barriers to investment in the mining sector, as well as the reasons underlying any significant shifts in the jurisdictional rankings from a year ago.

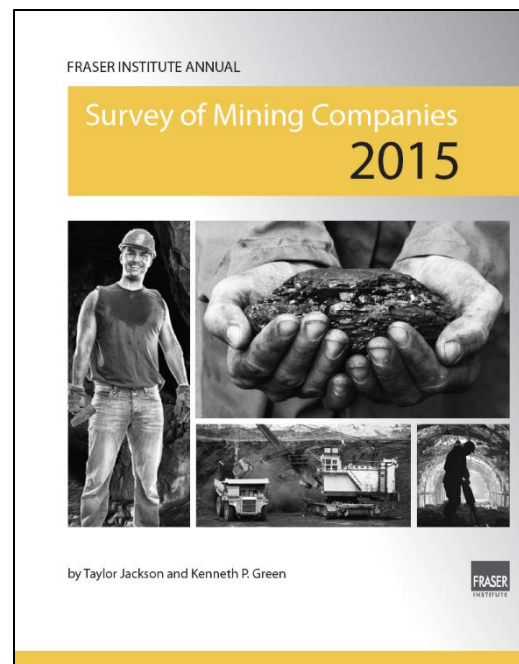
The report on the findings of last year's survey, *Survey of Mining Companies 2015*, can be downloaded at: <https://www.fraserinstitute.org/studies/annual-survey-of-mining-companies-2015>.

We are encouraging our members to participate in the 2016 survey. Greater participation will help to ensure that the results reflect the views of professionals with first-hand knowledge of the mining investment climate in countries around the globe. Broad involvement in the survey will also increase the number of jurisdictions evaluated, thereby providing more governments with candid and anonymous opinions on their mining policies.

It's simple!

The survey can be completed in less than 15 minutes. All information collected through the survey remains confidential.

Contact taylor.jackson@fraserinstitute.org to request an invitation to participate in the survey.



Flow through funding – Mistakes, Myths and Misconcept

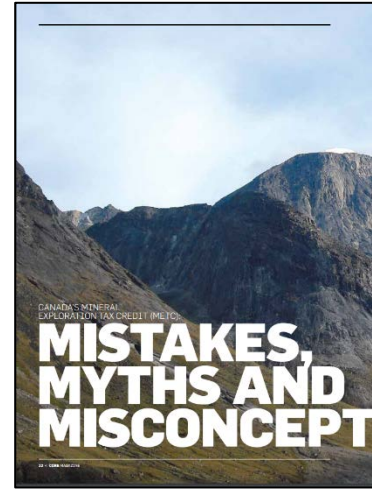
Innovation is a hot topic these days. For most, the term conjures up images of geniuses playing foosball in the open concept offices of a high-tech company.

Yet innovation is not just about gizmos and gadgets—it can also arise within the arcane world of taxation policy.

One example of this, for which Canada is world renowned, is the ‘super flow-through’ share system that has revolutionized the ways in which companies finance mineral exploration activities and has made Canada the global hub for mine equity finance. In addition to being unfamiliar to most Canadians, the system is also subject to a number of myths and misconceptions that occasionally find their way into newspaper and magazine articles.

The purpose of this article is to provide a short overview of how the system works, and a mineral exploration industry perspective on some of the most common myths.

Download the full document [here](#).



Scotiabank – Commodity Price Index – August 2016

- Zinc prices have risen more than 40% year-to-date, but the rally has benefited from a surge in speculative inflows as the net-long position of hedge funds and other money managers nearly tripled since January. While zinc remains the metal with the most fundamental support, prices are vulnerable to a temporary near-term retracement.**

Some highlights:

The Metals & Minerals Index advanced by 4.6% m/m in July with strength seen in virtually all base and precious metals.

Zinc trekked higher, gaining 9% m/m to average \$0.99/lb in July. The zinc market continues to be driven by material losses of concentrate supply, which are expected to work through to the refined metal market and further draw down stocks.

However, zinc’s gains may slow as the market weighs the possibility that significant volumes of concentrate supply that were economically idled last year could be brought back to market sooner than expected if prices continue to rise at their current pace. Much of zinc’s YTD gains have been fueled by speculative inflows, with the net-long managed money position nearly tripling since January. While we continue to believe that zinc’s rally has fundamental support, the current pace of appreciation has exceeded our expectations and is vulnerable to a temporary near-term reversal.

Download the entire newsletter [here](#) or click on the report thumbnail.



Reminder: Nominations close Sept 30 for Arctic Inspiration Prize

The deadline for 2016 Arctic Inspiration Prize Nominations is quickly approaching on **September 30, 2016**.

This \$1 million CAD prize is awarded annually and there are five equally important pillars that contribute to its ongoing success: the \$1 million annual prize money; the teams who apply for and win the Prize; the distinguished Selection Committee and; it's remarkable, engaged Partners and Ambassadors.



As an Ambassador for the Prize, the Chamber of Mines has committed to let its members know about the opportunity. Industry is eligible to apply for this funding. Companies are also encouraged to find innovative ways to work with local communities to fund a creative and beneficial project that benefits both partners.

Click here to open the [Call for Nominations Poster](#). Below, you will find the hot links to the 1) Nomination Guide with Selection Criteria; 2) Nomination Package; and 3) Call for Nomination Poster.

[NOMINATION GUIDE](#) [NOMINATION PACKAGE](#) [CALL FOR NOMINATION](#)

Please do not hesitate to contact the AIP office if you have any questions about the Nomination process or have ideas on how to further promote the AIP. Contact: Kevin Kablutsiak, Executive Director, Arctic Inspiration Prize at kevin.kablutsiak@rhf-frh.ca, or aip@rhf-frh.ca, and Tel: (613) 914-5172

First issue of Tli Cho Investment Corporation Newsletter

The Tli Cho Investment Corp. (TIC) has released its first ever newsletter.

The TIC is owned by the Tłı̨chǫ Government for the Tłı̨chǫ people. The TIC has a number of businesses and several joint venture partnerships with other groups and companies. Many of them were created around the newly discovered diamond mines, and today are accomplished service providers to them. Read about one of them, Tli Cho Logistics Inc. Its primary business is to provide site services expertise, site management, maintenance services and personnel for remote mine sites in the NWT. Mining services include civil, electrical and mechanical, maintenance, site services, water and waste management and airport management. They have active projects at the Diavik, Ekati, and Gahcho Kué mine sites, NWT Highway 3, and the Colomac remediation site.

Read more and stay updated with the [Tli Cho Investment Corporation Newsletter](#)



Welcome New Members!

On behalf 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:

- **Acasta HeliFlight Inc.** is a newly founded helicopter company based in Yellowknife. According to its President Adam Bembridge, "I'm extremely proud to not only be a part of this investment in the North personally, I'm thrilled to have a such a dynamic partner like HNZ Group making this significant investment in the future of my home community of Yellowknife. We're going to have 75 percent of our people based in Yellowknife, so they'll be able to play hockey with their customers, go camping with them, develop stronger bonds and relationships." For more, visit <http://www.acastaheliflight.com/>.
- **Flat River Consulting** provides engineering, remediation & revegetation services to the mining industry. Owners Dan and Mary Hewitt bring many years' experience with mine operations, engineering, environment and reclamation for mining properties in southern and northern Canada. Learn more and find contact details at www.flatriver.ca.
- **Kitikmeot Inuit Association (KIA)** is a birthright development corporation representing and benefiting the Kitikmeot Inuit of Nunavut. KIA protects and manages 20% of surface lands in the Kitikmeot region for the economic and social benefit of our people. The Kitikmeot Corporation and the Kitikmeot Economic Development Commission have been delegated by the Kitikmeot Inuit Association to promote economic development, employment and training in the region. There is significant potential for development in the resource rich Kitikmeot and we can expect a period of dynamic growth over the next few years. Learn more about their goals here: www.kitia.ca.
- **Mountain Island Exploration Ltd.** is a northern company that stakes claims and identifies properties of interest to publically traded companies, and will also contract stake claims. Contact president Trevor Teed at trevorreginaldteed@gmail.com.
- **Silver Range Resources Ltd.** is a project generator focused on high grade precious metal projects in Northern Canada and Nevada. Silver Range has assembled a diverse and growing property portfolio, concentrating on targets with the potential to host high grade gold mineralization in politically stable jurisdictions. The portfolio includes the UpTown, Itchen, Sparta and Hare gold projects in the NWT and the Park Place, Uist, Itchen, Esker Lake, Bling and Gold Bugs gold projects in Nunavut. To learn more, visit: www.silverrangeresources.com.
- **Team Drilling Limited Partnership** has provided industry-leading drilling services to some of the mining and exploration industry's biggest companies since 2008. The company is owned by Team Drilling's senior management and Athabasca Basin Development. Team Drilling was created through a partnership between the company's experienced senior management team and Athabasca Basin Development, an Aboriginal-owned investment company owned by the seven communities in Northern Saskatchewan's Athabasca area. To learn more, visit www.teamdrilling.com.

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 August 2016, [Update on the Kennady North Summer Program](#)
- 30 August 2016, [Northquest Ltd. Announces Cancellation of Special Meeting of Shareholders](#)
- 30 August 2016, [TMAC Makes Important Permitting Step Forward: Minister Accepts Amendments to Doris North Project Certificate](#)
- 30 August 2016, [Sabina Gold & Silver Reports Kitikmeot Inuit Association and Government of Nunavut ask Federal Minister to Send Back River Gold Project Back to NIRB for Further Consideration](#)
- 30 August 2016, [Silver Range Options Up Town Gold Project to Rover Metals](#)
- 29 August 2016, [The Grays Bay Road and Port Project, Nunavut: Arctic Gateway Connecting Nunavut Mineral Resources to the World](#)
- 29 August 2016, [Avalon Provides Update on Separation Rapids Project PEA](#)
- 29 August 2016, [TMAC Meets Critical Milestone on Path to Production -- Processing Plant Safely Offloaded at Hope Bay Project](#)
- 29 August 2016, [Kaizen Discovery grants stock options](#)
- 26 August 2016, [TerraX grants 2,000,000 incentive stock options](#)
- 26 August 2016, [Homestake shareholders approve acquisition by Auryn](#)
- 24 August 2016, [TerraX closes final tranche of non-brokered private placement; total raised now \\$7.5 Million](#)
- 23 August 2016, [Silver Range Acquires Projects Near Proposed Nunavut Road](#)
- 23 August 2016, [Dominion Diamond Corporation's Fiscal 2017 Second Quarter Results to be released Thursday, September 8, 2016](#)
- 23 August 2016, [TerraX starts second drill on Yellowknife City Gold project - focus is on generating new discoveries](#)
- 22 August 2016, [Silver Range Acquires Hare and Sparta Properties](#)
- 19 August 2016, [Peregrine files updated technical report for Chidliak Project](#)
- 18 August 2016, [Dominion Diamond Corporation Reports Fiscal 2017 Second Quarter Sales, Ekati Production Results and Update on Office Building Sale](#)
- 18 August 2016, [Canterra Signs Agreement on the West Carswell Diamond Project with Canalaska and Commences Airborne Magnetic Survey](#)
- 16 August 2016, [Dominion Diamond Corporation Announces Appointment of Two New Directors](#)
- 15 August 2016, [Update on the Kennady North Summer Drilling Program](#)
- 15 August 2016, [TMAC Continues on Track and on Budget 18 Months into 24 Month Plan for Hope Bay's Path to Production](#)
- 15 August 2016, [INDUSTRY BULLETIN: Electric Vehicle Sales Continue to Grow Rapidly](#)
- 10 August 2016, [Sabina Gold & Silver Announces Q2, 2016 Financial Results](#)
- 10 August 2016, [Stornoway Announces FY 2016 Second Quarter Results](#)
- 8 August 2016, [Silver Range Acquires Itchen Property Near Lupin Mine](#)
- 5 August 2016, [Dominion Diamond Corporation Director Robert Gannicott Passes Away at the Age of 69](#)
- 5 August 2016, [Mountain Province Diamonds Announces Start of Ramp Up to Commercial Production at Gahcho Kué Diamond Mine](#)
- 3 August 2016, [Fortune Minerals announces extension of warrants](#)

- 3 August 2016, [Kennady Diamonds begins summer exploration program](#)
- 3 August 2016, [A good first half and more opportunities on the horizon](#)
- 3 August 2016, [De Beers rough diamond sales for Cycle 6, 2016](#)

Calendar of Events

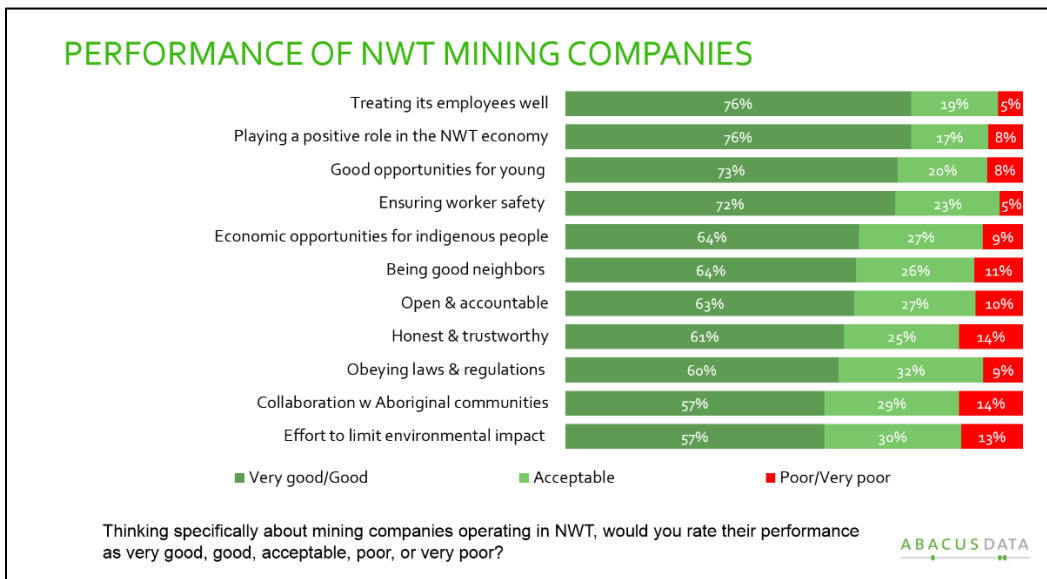
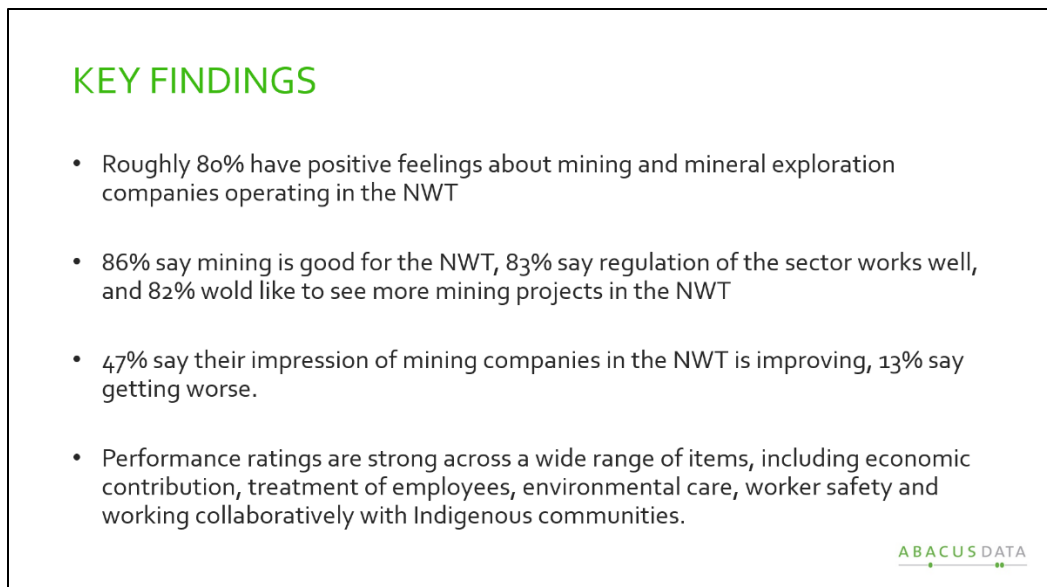
- **Opportunities North 2016**, Bringing The Northern Economy Into Focus, September 7-9, Explorer Hotel, Yellowknife. With more than 200 delegates, Opportunities North 2016 is one of the largest business conferences in northern Canada. We've assembled a line-up of nationally distinguished speakers and a program that brings our northern economy into focus. To register and to learn more, click [here](#).
- **Canadian Aboriginal Minerals Association's 24th Annual Conference**: "Embracing the Past. Mining the Present. A Rewarding Future." November 6 -8, 2016, Delta City Centre, Ottawa, Ontario. The conference is dedicated to increasing the understanding of the minerals industry, Aboriginal mining and Aboriginal community's paramount interests in lands, resources and the environment. Through increasing this awareness, all parties will benefit. The conference registration is now open. Please visit CAMA's [website](#) for more information and to register [CLICK HERE!](#)
- **44th Annual Geoscience Forum**, November 15-17, 2016, Yellowknife, NT. Join us at the largest mining and petroleum conference and tradeshow in the Northwest Territories. The joint initiative of the NWT & Nunavut Chamber of Mines and the Government of the NWT's Department of Industry Tourism & Investment attracts hundreds of delegates and exhibitors excited to share their knowledge, to learn from others, and to show off their wares. For more information visit www.geoscienceforum.com and contact conference@miningnorth.com.
- **4th Annual Renewables for Mining Toronto Summit**, November 21-22, 2016, Hilton Toronto, Toronto, ON, Organized by Energy and Mines. Co-located with the inaugural Energy and Mines Award, the 4th annual Energy and Mines World Congress is the global meeting place for mining, renewables and energy innovation leaders to meet and explore the very latest developments in renewables for mines and discuss the challenges around financing and implementing these projects. Energy and Mines, the event organizer, is offering a limited number of complimentary guest passes to senior mining executives to participate in the Summit. Contact: sukhee.chae@energyandmines.com or +1 613 627 2787 for more information or visit: worldcongress.energyandmines.com
- **Microreactors for the Arctic**, November 29-30, 2016, Explorer Hotel, Yellowknife, NT. Canadian/Swedish company, LeadCold, is developing small nuclear reactors for power production in remote areas. The size and cost of the reactor makes it suitable for replacing diesel generators in Northern communities and mining sites, leading to reduced costs for power while minimising emissions and improving energy security. A draft agenda and more details about the workshop can be found [here](#).
- **Resources for Future Generations (RFG2018)**, June 16-21, 2018, Vancouver Convention Centre, BC, Canada. With themes covering all of the key geoscience sectors across all of

professional practice – Minerals, Energy, Water and the Earth – this event will be of direct technical interest to P.Geo.’s coast to coast. Organizers are Calling for Sessions and you can submit your session proposal at: www.RFG2018.org. Abstracts will be sought in June 2017.

- **AMEBC Roundup Conference**, January 23 - 26, 2017, Vancouver, BC. Mineral Exploration Roundup 2017 is the place to learn and showcase new discoveries and emerging projects. Click [here](#) to go to the Roundup website.

In case you missed it: Survey reveals NWT Residents strong support for mining

For those that missed our mining survey this spring, here are some slides from the results. Download the document with much more information [here](#).



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 , and Dr. Stewart Blusson	Diamonds	Canada's first and largest diamond mine, 310 km. NE of Yellowknife. Open pit and underground. Mine life to 2020. Workforce in 2014 approximately 1,500. A fire in the process plant on June 23 and the subsequent processing shutdown significantly reduced throughput in Q2, and is expected to last approximately three months in total.	News Release, August 3, 2016: Dominion Diamond Corporation Director Robert Gannicott Passes Away at the Age of 69 News Release: August 16, 2016: Dominion Diamond Corporation Announces Appointment of Two New Directors News Release, August 18: Dominion Diamond Corporation Reports Fiscal 2017 Second Quarter Sales, Ekati Production Results and Update on Office Building Sale News Release, August 23: Dominion Diamond Corporation's Fiscal 2017 Second Quarter Results to be released Thursday, September 8, 2016
Ekati Jay Project	Dominion Diamond Corporation , and Archon Minerals Ltd.	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.	May 19 News Release: Dominion Diamond Corporation Reports Approval of Jay Project Environmental Assessment May 31, News Release: Dominion Diamond Corporation Provides Update on Jay Project Feasibility Study
Diavik Mine	Rio Tinto & Dominion Diamonds	Diamonds	Canada's largest producer of diamonds, 300 km NE of Yellowknife. Mine life through 2023. Became all underground mine in 2012. 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. Work to develop new A21 open pit has begun and will cost US\$350m over 4 years. A-21 is on track to commence ore production in the second half of 2018. The A-21 workforce will peak at approximately 200 people. Proven and probable reserves at Dec 31, 2014 were 18.7 million tonnes at 2.8 carats/tonne for total of 52.8 million carats.	News Release, July 18, 2016: Dominion Diamond Corporation reports Diavik Diamond Mine Second Calendar Quarter Production
Gahcho Kué Mine	De Beers & Mountain Province	Diamonds	Open-pit diamond mine approximately 180 km ENE of Yellowknife, NWT. Mine life 12 years. On August 11, the Gahcho Kué Diamond Mine has 451 full-time employees. First production ahead of schedule in Q2 2016. Mine is ramping up to Commercial production scheduled for January 2017. The Gahcho Kué Project consists of a cluster of 4 diamondiferous kimberlites, 3 of which have a probable mineral reserve of 35.4 million tonnes grading 1.57 carats per tonne for total diamond content of 55.5 million carats. Gahcho Kué has an IRR of 32.6%.	News release, August 3, 2016: Mountain Province Diamonds Announces Start of Ramp Up to Commercial Production at Gahcho Kué Diamond Mine <ul style="list-style-type: none"> • 24.65 and 12.10 gem quality diamonds recovered during commissioning • First diamond sale prior to end 2016 • On track for commercial production during Q1 2017 News release, August 11, 2016: Mountain Province Diamonds Announces FY 2016 Second Quarter Results <ul style="list-style-type: none"> • Construction of the Gahcho Kué Diamond Mine was completed during the quarter; • First ore was introduced to the diamond plant on June 20, 2016; first commissioning diamonds were recovered on June 30, 2016;

NWT & Nunavut Chamber of Mines – Northern Mining News

				<ul style="list-style-type: none"> • Ramp up to commercial production is underway; and the mine is on track to achieve commercial production in January 2017.
Snap Lake Mine (Suspended, on care & maintenance)	De Beers	Diamonds	Canada's first all underground diamond mine. 220 kilometres NE of Yellowknife. Mine life to 2028. Workforce approximately 750. Due to low diamond prices, De Beers put the Snap Lake mine on care and maintenance in December 2015.	<p>News Release, June 29, 2016: Extended Care and Maintenance Approved for Snap Lake Mine – Allows for preservation of significant diamond resource</p> <p>De Beers announced on July 22 that it will investigate interest in purchasing the mine before they flood it.</p>
Cantung Mine (Closed, on care & maintenance)	North American Tungsten	Tungsten, copper	Cantung is in the mountains of western NWT, ~300 km by road NE of Watson Lake, Yukon. North American Tungsten (NATC) filed for Court protection under the CCAA on June 9, 2015. In accordance with the Operating Plan, the mill at the Cantung mine site was shut down on October 26, 2015, and transition of the Cantung mine to care and maintenance is expected to be completed on or about November 18, 2015.	<p>Nov 19 GNWT News Release: NWT Government purchases Mactung assets of Cantung.</p> <p>Nov 19 NATC news release: NATC Announces Extension of Stay of Proceedings under the Companies' Creditors Arrangement Act.</p> <p>On November 17, 2015, the Supreme Court of British Columbia made an order approving the sale of the Company's Mactung property to the Government of the Northwest Territories. The Government of Canada will fund the Company's environmental care and maintenance activities at the Cantung mine site.</p>
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 completed in early 2016 supports longer, 17-year mine life. The company's proposal to construct a new airstrip and all-weather road is undergoing environmental assessment.	News Release, Aug 12: Financial Results for Second Quarter of 2016, Grant of Stock Options and Restricted Share Units
Kennady North	Kennady Diamonds Inc.	Diamonds	Kennady Diamonds controls 100% of Kennady North project comprising 13 leases and claims immediately to north and west of 4 leases controlled by the Gahcho Kué Joint Venture (see above). Kennady Diamonds aims to identify a resource along the Kelvin – Faraday kimberlite corridor of between a 12 and 15 million tonnes at a grade of between 2 and 2.5 carats per tonne and also to identify new kimberlites outside of the corridor. The Kelvin – Faraday corridor is a target for further exploration. The tonnage estimate is based on the drilling completed to date. The potential quantity is conceptual in nature as there has been insufficient drilling to define a mineral resource and it is uncertain if further exploration will result in the target being delineated as a mineral resource.	<p>News Release, August 18, 2016: Kennady Diamonds Increases Land Position</p> <ul style="list-style-type: none"> • Strategic acquisition along the highly prospective Kelvin-Faraday Corridor <p>News Release, August 11, 2016: Update on the Kennady North Summer Drilling Program</p> <ul style="list-style-type: none"> • Kimberlite intersections exceeding 30 meters at Faraday 2 and 3 • Both Faraday 2 and Faraday 3 confirmed as extending onto land <p>News Release, August 30, 2016: Update on the Kennady North Summer Program</p> <ul style="list-style-type: none"> • Kimberlite intersection exceeding 30 meters at Faraday 2 • Processing of Kelvin bulk sample over 75% complete
NICO	Fortune Minerals Ltd.	Cobalt-gold-	Proposed open pit and underground mine located 50 km NE of Wha Ti.	News Release, Aug 16: Fortune Minerals Completes \$1.25 Million Private Placement

NWT & Nunavut Chamber of Mines – Northern Mining News

		bismuth-copper	Estimated mine jobs: 150. Requires access to highway to Wha Ti, still to be constructed.	News Release, Aug 3: Fortune Minerals announces extensions of warrants
Nechalacho	Avalon Advanced Materials Inc.	Rare earth metals	Proposed underground mine 100km SE of Yellowknife. Estimated mine jobs: 200. The Company remains optimistic that rare earth demand will recover sufficiently in 2015 to attract Project financing and allow construction work to begin by summer 2015.	News Release, February 26, 2016: Avalon Announces Name Change to Avalon Advanced Materials Inc. News Release February 10, 2016: Avalon's Nechalacho Rare Earths Project to remain inactive in 2016, while the Company focuses on Lithium and Tin in southern Canada. Avalon Rare Metals Project work in calendar 2015 consisted mainly of concluding the ongoing metallurgical research, disposal of process waste materials and storage of bulk samples for future use.
Indin Lake	Nighthawk Gold	Gold	Nighthawk controls over 90% of the prospective Indin Lake Greenstone Belt in this historic gold camp with a total ground position now comprising 930 sqkm, approximately 220 km north of Yellowknife, NT. The Indin Lake Greenstone Belt is one of Canada's most underexplored gold camps. The property contains 14 known gold deposits and showings, 3 are historic mine (eg Colomac)	News release July 5, 2016: Nighthawk Commences 2016 Drill Program at Colomac Gold Project June 2016: New corporate presentation posted. News Release, July 15, 2016: Nighthawk Repays Secured Notes. They also announced that on July 5, initiation of its Colomac Gold Project 2016 drill program. Two drills are now operational, one testing Colomac sill high-grade gold targets and the other drilling Goldcrest sill near surface mineralization 400 metres west of Colomac. Regional prospecting and mapping programs are also well advanced, following up on priority targets generated in previous field programs.
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). The FAT deposit is one of Canada's largest undeveloped gold projects. Gold resources of 8.0 million ounces in the measured and indicated categories plus an additional 3.4 million ounces in the inferred category.	Seabridge is currently focusing its work on their KSM mine development in British Columbia.
Selwyn (Howards's Pass Project)	Selwyn Chihong Mining Ltd.	Zinc, lead	Proposed base metal mine in Yukon on NWT border and access is through NWT. Agreements signed with NWT (Sahtu) Aboriginal land corporations. The project will process multiple open pit mines over an approximate 10+ year mine life and includes a mineral processing plant, tailing management facility and the required on-site infrastructure. The mine is being designed to process 38,500 tonnes per day (tpd) of ore which, after processing, is expected to result in 2,500 tpd of zinc and 600 tpd of lead concentrate, which would be trucked to the Port of Stewart for export. Selwyn Chihong estimates the proposed mine will create approximately 1500 jobs during construction and approximately 750 during operation.	Selwyn Chihong Mining's proposed upgrade of a road to its lead-zinc mining project in Yukon's Selwyn Mountains will undergo an environmental assessment. Parks Canada has referred the 79km Howard's Pass Access Road (HPAR) to Environmental Assessment under the MVEIRB, which accepted the referral in July 2015. The HPAR was developed in the 1970s, and runs from the Nahanni Range Road to the NWT-Yukon border. Passing through 2 national parks. Yukon media reported in Feb 2016 that Selwyn Chihong has decided to slow their project down due to the current low zinc prices, and will not to take the project to the permitting stage this year. According to External Affairs VP Maurice Albert, SC has opted for a traditional drilling program and hopefully add another 10 years to the mine life.

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: 775 Exploring potential satellite deposit, Amaruq, 50km from mine site. Construction of the Amaruq Exploration Access Road commenced in the first quarter of 2016. Road construction is ongoing with nine kilometres completed to date of the expected total length of 62 kilometres. On April 19, the Nunavut Impact Review Board submitted its EIS report to the Minister of INAC concluding that the Vault Pit Expansion Project should proceed.	News Release, July 27: Mid-Year 2016 Exploration Update: Expansion of Whale Tail and V Zones at Amaruq, NU. . News Release, July 27, 2016: Agnico Eagle provides Second Quarter 2016 Operating and Financial Results. Operations Continue to Deliver Strong Performance; Positive Guidance Revision; Further Reduction in Net Debt; And Dividend Increased by 25%
Mary River Iron Mine	Baffinland Iron Mines	Iron	In operation since September 2014; Open pit mine located 936 km N of Iqaluit. Mine jobs: 602 Production from Early Revenue Phase (ERP) began September 8, 2014. Company has proposed a Phase 2 project with increased production and shipping. AANDC Minister has approved application for exemption from NPC negative conformity determination, July 14, 2015.	Project is undergoing a new Environmental Assessment for the proposed expansion of mining and shipping to help offset downwards spiraling iron ore prices. Baffinland expect to submit the EIS (Environmental Impact Statement) for Phase 2 of the Project in September 2016. This submission is delayed from April 2016, to allow Baffinland to present a rail alternative with the road transport proposal and provide and assess the most effective means of transporting ore from Milne Port along the northern shipping route.
Hope Bay Mine (Mine under construction)	TMAC Resources	Gold	Proposed gold mine 130 km S of Cambridge Bay; covers the majority of the Hope Bay Greenstone Belt. Estimated mine jobs: 485 Plans to commission their processing plant later in 2016 and then achieve steady state production in 2017.	August 11, 2016 News Release: TMAC Continues on Track and on Budget 18 Months Into 24 Month Plan for Hope Bay's Path to Production August 29, 2016 News Release: TMAC Meets Critical Milestone on Path to Production -- Processing Plant Safely Offloaded at Hope Bay Project August 30 News Release: TMAC Makes Important Permitting Step Forward: Minister Accepts Amendments to Doris North Project Certificate



Northern Mining News is written and published by the NWT & Nunavut Chamber of Mines for free distribution electronically to those interested in the northern minerals industry. Subscribe on our website.

For further information contact us at:
PO Box 2818, Yellowknife, NT X1A 2R1
Email: info@miningnorth.com
Website: www.miningnorth.com

NWT & Nunavut Chamber of Mines – Northern Mining News

Meliadine	Agnico Eagle Mines	Gold	Proposed open pit and underground gold mine, 25 km NE of Rankin Inlet. Estimated construction jobs: 1,000 Estimated mine jobs: 700 IIBA signed June 2015. Initial capital cost is estimated to be \$911m; initial production life of 9 years. At December 31, 2015, the Meliadine property hosted 3.4 million ounces of proven and probable mineral reserves (14.5 million tonnes of ore grading 7.32 g/t gold), 3.31 million ounces of measured and indicated mineral resources (20.78 million tonnes of ore grading 4.95 g/t gold), and 3.55 million ounces of inferred mineral resources (14.71 million tonnes of ore grading 7.51 g/t gold). In addition, there are numerous other known gold occurrences in the 80-kilometre-long greenstone belt that require further evaluation.	News Release, April 28, 2016: Meliadine Type A Water License Permit Expected by the End of the Second Quarter of 2016. The capital budget for 2016 is \$96 million, with activities focused on further underground development (approximately 3,700 metres), detailed engineering and procurement, construction of essential surface infrastructure and the acquisition of a used camp facility. The goal of the 2016 capital program is to ensure that the project remains on track for a potential 2020 production start-up, which is approximately a one year delay from previous expectations.
Kiggavik	AREVA Resources	Uranium	Proposed uranium mine 80 km W of Baker Lake. Estimated Construction jobs: 750 Estimated mine jobs: 600	July 25, 2016, Federal Minister of Indigenous and Northern Affairs Canada, on behalf of the Ministers of Fisheries, Oceans and the Canadian Coast Guard, Natural Resources, Transport as responsible ministers for this project with jurisdictional responsibility for authorizing whether the Kiggavik Project should or should not proceed, accept the Board's determination that the Project should not proceed at this time.
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 Sabina recently released a Feasibility Study on its 100% owned Back River Gold Project which presents a project that has been designed on a fit-for purpose basis, with the potential to produce ~200,000 ounces a year for ~11 years with a rapid payback of 2.9 years. At a US\$1,150 gold price and a 0.80 exchange rate, the Study delivers a potential after tax internal rate of return of approximately 24.2% with an initial CAPEX of \$415 million.	News Release, August 10: Sabina Gold & Silver Announces Q2, 2016 Financial Results News Release, August 30: Sabina Gold & Silver Reports Kitikmeot Inuit Association and Government of Nunavut ask Federal Minister to Send Back River Gold Project Back to NIRB for Further Consideration
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.
Chidliak	Peregrine Diamonds Ltd.	Diamonds	Located 120 kilometres NE of Iqaluit, the capital of Nunavut, and 180 km S of Pangnirtung. 74 kimberlites have been discovered to date with 8 being potentially economic.	News Release, August 19, 2016, Peregrine Files Updated Technical Report for Chidliak Project

NWT & Nunavut Chamber of Mines – Northern Mining News

Angilak	Kivalliq Energy Corp.	Uranium	340,268 acre property located SW of Baker Lake; Hosts the high-grade Lac 50 Trend deposit	News Release, June 7, 2016, Kivalliq Closes Financing to raise gross proceeds of CDN\$400,000, to fund mineral exploration at Kivalliq's wholly-owned properties in Canada.
Qilalugak	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 June 9: North Arrow Reports Diamond Valuation Results From The Qilalugaq Project. The parcel of 383.55 carats of diamonds greater than +1DTC (~1 mm) was valued at \$13,795 or \$36 per carat and a modelled range of possible values was also produced with a "possible low" model price of \$43 per carat and a "possible high" model price of \$92 per carat.
Committee Bay Gold Project	Auryn Resources (purchased North Country Gold Corp.)	Gold	Committee Gold Bay Project Highlights: <ul style="list-style-type: none"> • High grade gold endowment • Existing exploration infrastructure • 217,600 hectares with district scale discovery opportunities 	August 26 News Release: Homestake shareholders approve acquisition by Auryn
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.
Coppermine	Kaizen Discovery / Tundra Copper	Copper	Early stage, district-scale exploration play located 24 km SW of Kugluktuk; Total holdings approximately 3,500 km ²	NIRB screening decision issued July 7, 2015; Proposal may proceed without a Part 5/6 NLCA review.



Agnico Eagle's Amaruq project will be going to environmental assessment.

Project Maps

