

Northern Mining News

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From the Executive Director ...

Good news this month with an announcement that Canada would fund 25% of the Tlicho Road in the NWT. Supported strongly by the Tlicho and the NWT governments, the road would also help the NICO project to advance, providing the essential link to taking that future mine's concentrates to market. In addition, the Federal Minister has referred NIRB's decision on Sabina's Back River Project back to NIRB for further review. Nunavut's soon-to-be second gold mine, Hope Bay, continues to advance commissioning of its new process plant.

A great show of force at the annual Roundup Conference this year, with Premiers from all three territories, representatives of Aboriginal Governments, and even the NWT Cabinet, demonstrating those governments' commitments to seeking renewed investment.

A review of last year's commodity prices suggests markets may be finally coming off the bottom of the cycle. Conversations at the Roundup Conference were also more up-beat, with new investment money appearing. We are (cautiously) optimistic!

And hey! The Chamber's celebrating its 50th Anniversary this year! Happy Birthday to us!

Happy reading! ... Editor

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

Northern minerals industry welcomes new road infrastructure

On behalf of the NWT minerals industry, the NWT & Nunavut Chamber of Mines welcomes the January 11 announcement of conditional approval of federal funding for the construction of the Tlicho All-Season Road in the Northwest Territories (NWT).

The Tlicho road will join the Tlicho community of Whati to the Mackenzie Highway, and importantly will also provide improved transportation access for mineral exploration and development. The most advanced project, Fortune Minerals' [NICO polymetallic project](#), requires construction of the Tlicho Road to complete project financing, operate the mine, and ship mineral concentrates to southern markets.

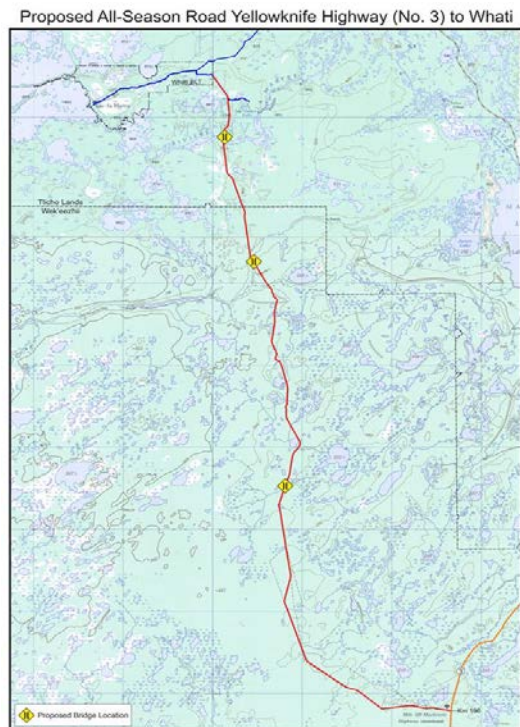
Today's announcement would not only see Tlicho residents benefit from year round, cheaper access but also provide more employment and business opportunities with the future NICO mine. The road will enhance investment in the surrounding region, which is known for its significant mineral potential. The road will also enable economic diversification, including development of potential hydro sites that are needed to support industry.

"The NWT suffers from one of the largest infrastructure deficits in Canada," said Gary Vivian, President of the Chamber of Mines. "Many of our communities and most of its hinterland rely on seasonal ice roads and expensive air transportation. We welcome this announcement of Federal investment in infrastructure for the Tlicho Road to help reduce the cost of doing business and living in the north, something industry has been encouraging for years."

The NWT's diamond mines are the largest private sector industry, making the NWT the third largest global producer of diamonds, but are themselves reliant on a 400-km seasonal ice road. Plans are in the works to upgrade this with an all-weather road too, in time. The diamond mine ice road and the current Tlicho ice road are challenged each year by changing climatic conditions. These issues would be mitigated by an all-weather road reducing the northern premium on mine capital and operating costs.

The Tlicho Road project is currently undergoing an environmental assessment led by the Mackenzie Valley Environmental Impact Review Board. According to the government media release, confirmation that funding is now available will inform the environmental assessment process in terms of possible timing of construction. The federal government will provide up to 25 per cent of eligible project costs through the P3 Canada Fund.

Learn more about the road [here](#) and view map [here](#). Read Government release [here](#).



Click on image to see larger original

Your Chamber of Mines: Celebrating 50 Years of Mining in the North at NU Night

Fifty years ago (in 1967) the Chamber of Mines was established to address industry needs specific to the North. To help celebrate the milestone, the Chamber hosted an event for our members and special guests to coincide with AMEBC's Roundup conference. The evening was designed to allow our guests to do a bit of networking, enjoy delicious food with us, and then adjourn to other functions that were part of the Roundup event.

As a member of the Chamber of Mines (and headline sponsor), TMAC Resources CEO and Director, Catherine Farrow acted as MC for the event. Ms. Farrow took the opportunity to recognize the importance of the Chamber's work over these past 50 years; and on behalf of the Chamber, acknowledged our members and the many others who believe in the power of our industry to make a difference.

And what better way to celebrate 50 years of mining in the North than with the opening of TMAC's new mine! Doris North will pour gold shortly, becoming Nunavut's second operating gold mine.

Located on four parcels of Inuit Owned Lands, the Hope Bay greenstone belt has seen significant exploration since 1965, and exploration continues. TMAC acquired Hope Bay in 2013 and started test mining ore in March of 2015 with full mining shifts by October of 2015. The project is on schedule and on budget. Once Doris Mine at Hope Bay is in production, the result will be an operating mine in each of the three regions in Nunavut.

The Chamber values its relationship with Inuit and views local community and business engagement as a key strategic outcome of our work. A number of Inuit leaders and Government dignitaries attended the event, including:

- Hon. Peter Taptuna (Premier of Nunavut)
- Hon. Robert Mcleod (Premier of NWT)
- Senator Dennis Patterson (Senator for Nunavut)
- Mr. David Omilgoitok (President/CEO of Kitikmeot Corporation)
- Dr. Charlie Evalik (Chairman of Nunavut Resources Corporation)

The Chamber is grateful to our event sponsors:

- TMAC Resources;
- Geotech Ekutak;
- Kitikmeot Corporation;
- Nuna Group of Companies;
- Nunavut Tunngavik Inc.;
- Sharleen Hamm Consulting Ltd.;
- Canadian North



The Chamber celebrated 50 years representing mining in the North at Nunavut Night in Vancouver, January 23rd. (Photo by Sharleen Hamm)

The Chamber looks forward to the next 50 years of working with Nunavummiut to bolster and maintain a strong and vibrant minerals industry that serves the interests of Nunavut and Canada. For those who were able to drop by, we hope you enjoyed the event!



Valerie Vrisk, Canadian North with prize winner Brant Jackson, Geotech Ekutak. The door prize was a return ticket to/from anywhere Canadian North flies. (Photo by Sharleen Hamm)



Ann Wilkinson, TMAC Resources and David General, Kitikmeot Corporation. Sponsors for Nunavut Night. Photo by Sharleen Hamm.

NWT Cabinet markets mining at Roundup – Nunavut premier too

The NWT minerals industry was pleased to meet with the Northwest Territories' Premier and Cabinet delegation and with the Nunavut Premier and staff, who attended the Exploration Roundup conference in Vancouver this week. Their attendance provide good opportunity to learn more about the minerals industry and strengthen investment in their territories.

“We are pleased that NWT Cabinet Ministers also attended this important conference to learn first-hand from investors what they can do to strengthen the NWT economy”, said Gary Vivian, President of the NWT & Nunavut Chamber of Mines. “The conference concluded this week on an upbeat tone, with optimism that the Canadian investment climate may finally be turning positive. That being the case, it’s critical that government be prepared to take advantage of the opportunity.”

The Chamber of Mines had the opportunity to meet with the NWT Cabinet and, as government’s partner in the [NWT Mineral Development Strategy](#), the Chamber provided its observations on government actions that can help improve the NWT’s investment climate to attract much needed investment. Federal statistics reveal that the NWT has lost its competitive position over the past 8 years, and missed out on over a billion dollars of investment. The actions identified by the Chamber of Mines would do much to sustain and grow northern jobs, business opportunities and government revenues, which will result in stronger, healthier northern communities.

Industry representatives were pleased with Premier McLeod’s comments that: “We are taking a whole-of-government approach to supporting the mining industry. We’re also here today to

send an important message back home. To remind the people of the Northwest Territories that we are reliant on mining to drive our economy, in order to deliver on the programs and services that they need and deserve.”

Members of the Chamber of Mines Board also met with the Honourable Peter Taptuna, Premier of Nunavut and discussed a number of issues of mutual interest including carbon tax, land use planning, and devolution.



NWT Cabinet at Roundup, from left: Hon. Glen Abernethy, Hon. R.C. McLeod, Hon. Carolyn Cochrane, Premier McLeod, Hon. Lou Sebert, Hon. Wally Schumann, Hon. Alfred Moses, and MLA and Committee Chair, Cory Vanthuyne.

In addition, four Aboriginal regions from the NWT – Inuvialuit, Sahtu, Dehcho and Tlicho – participated in the conference manning booths and showing off maps to potential investors.

The minerals industry is the largest private sector contributor to both the NWT and Nunavut economies, providing thousands of jobs, hundreds of millions of dollars of business spending and significant federal, territorial and Indigenous government revenues annually. Attendance of the Premiers and the NWT Cabinet delegation, along with Aboriginal



NWT Premier McLeod visits Tlicho Government's booth at Roundup. From left, Henry Zoe, the Premier, Tyanna Steinwand, and Grace Mackenzie.

government representatives sent an important message to potential investors that the NWT and Nunavut are serious about attracting new investment to the territory.

Click [here](#) for the Chamber of Mines' presentation to the NWT Cabinet.

Fortune Minerals announces Financial Advisor to arrange NICO project financing

Lithium-ion battery demand for cobalt and supply chain concerns contribute to favorable financing environment

On January 18, Fortune Minerals Limited (TSX: FT) (OTCQX: FTMDF) announced the engagement of PricewaterhouseCoopers Corporate Finance Inc. ("PwCCF") as the Company's Financial Advisor to help secure financing for construction of the NICO Cobalt-Gold-Bismuth-Copper Project in Canada.

The recent announcement of government funding for a public road to the community of Whati needed for mine operations, and the positive momentum in cobalt and gold markets, will allow the Company to proceed with financing construction of the project. NICO is a vertically integrated development comprised of a proposed mine and mill in the Northwest Territories and hydrometallurgical refinery in Saskatchewan where concentrates from the mine are planned to be processed to value-added metals and chemicals.

Cobalt "Green" Market is attractive for NICO

The NICO deposit, besides containing gold and bismuth, contains cobalt, a critical metal used in a variety of metal and chemical applications and with annual consumption of more than 100,000 metric tonnes. Primarily due to its use in high performance rechargeable batteries, cobalt demand has grown at an approximate 6% compounded annual rate over the past 20 years. Cobalt delivers superior energy density for power and performance and cobalt-bearing lithium-ion batteries are expected to remain the industry standard for the foreseeable future. The first phases of battery commercialization in portable electronic devices has driven cobalt used in batteries to account for approximately 50% of the current market.

At the same time, the future supply of cobalt is at risk due to various factors, including geographic concentration of supply and the predominant cobalt production as a by-product of copper and nickel mining. The Democratic Republic of the Congo is responsible for more than 60% of cobalt mine supply and is a politically unstable country that could erupt in violence as a result of the reluctance of the current President to cede power pursuant to the constitutional mandate in 2016. Ethical sourcing of raw materials has become an issue for the electronics industry because of the use of child labour in some Congolese artisanal mines.

NICO is planned to become an important new Canadian vertically integrated producer of cobalt with supply chain transparency and uninterrupted custody of metal from ores through to the production of battery chemicals. The more than 1.11 million ounces of gold contained in the NICO mineral reserves is also a highly liquid co-product whose price is commonly countercyclical to the other contained metals to mitigate cobalt and bismuth price volatility. NICO contains approximately 12% of global bismuth reserves, a critical metal that also has

supply chain concerns from dominant Chinese production and growing consumption as an environmentally friendly and non-toxic replacement for lead. Read the full release [here](#).

TMAC Guidance for 2017 & Update on Commissioning of Doris Processing Plant

On January 11, 2017, TMAC Resources Inc. (TSX: TMR) provided guidance for 2017 and an update on its Hope Bay Project, located in the Kitikmeot region of Nunavut, Canada.

	2017 Guidance
Ore mined (tonnes)	275,000
Average grade mined (grams/tonne)	13
Ore milled (tonnes)	325,000
Gold sold (ounces)	130,000 – 140,000
Cash cost per ounce sold ⁽²⁾	<US\$600
All-in sustaining cost per ounce sold (“AISC”) ⁽²⁾	<US\$750
Capital expenditures:	
Sustaining	\$15 million
Pre-production and expansion	\$35 million
Exploration and evaluation	\$22 million

Notes:

1. CAD/USD exchange of 1.30.
2. Cash cost and AISC per ounce of gold sold are in accordance with the recommendations of the World Gold Council.
3. The Technical Report on the Hope Bay Project, Nunavut, Canada, dated May 28, 2015, detailing the Preliminary Feasibility Study with an effective date of March 31, 2015 (the “PFS”) anticipated 136,000 ounces of gold recovered and sold.
4. All dollar amounts are expressed in Canadian dollars unless otherwise specified.

Dr. Catharine Farrow, Chief Executive Officer, stated, “We are pleased with the progress of the Hope Bay Project towards production. Ore is starting to move through the processing plant, tailings pipeline construction is nearing completion, the crushing, grinding, gravity and flotation circuit is largely commissioned and we are working towards final commissioning of the concentrate treatment circuit. We anticipate the production of our first saleable gold in early February. In 2016 our focus was on surface and underground work that more than doubled our lateral development and tonnes of ore and waste mined compared with the Path to Production plan created in 2015. This will enable TMAC to smooth out its production profile as we complete the commissioning of the processing plant, achieve steady state production at 1,000 tonnes per day, and ramp up to 2,000 tonnes per day by 2018, all of which are proceeding well. This will also facilitate a smooth and robust pay-back of our debt commitments through to the end of 2018, which is a focus of TMAC management.” Dr. Farrow went on to say, “TMAC is unique in that we have about 56,500 ounces of gold contained in 121,600 tonnes of ore stockpiled on surface as we initiate processing. Our people and our contractors have worked tirelessly and our stakeholders are about to be rewarded by their efforts.”



[Click here for TMAC's January 2017 presentation.](#)

Commissioning of the processing plant is progressing smoothly and TMAC anticipates the first saleable gold to be available in early February and to achieve commercial production of gold in the first quarter of 2017. TMAC's focus for 2017 remains the orderly, but relatively quick, ramp up of gold production by the processing plant, the ramp up of underground production at Doris from the current single Python's capacity of approximately 1,000 tonnes per day ("tpd") to 2,000 tpd by the end of 2017 and the fabrication, delivery and installation of the second Python that will double the processing plant's capacity. Much of the second Python's fabrication has been completed with \$13 million incurred to December 31, 2016 and already included in the Path to Production costs.

The pre-production and expansion capital for 2017 include the costs associated with completing and installing the second Python, as well as its related equipment and infrastructure, the construction of additional site bed-space for 80 people, and the development of the Doris North BTM zone as, dependent on further exploration success, Doris North BTM mineralization is anticipated to be a future source of mill feed. Pre-production and expansion capital in 2017 is forecast to be \$35 million and includes a one-time amount of \$8 million to Nunavut Tunngavik Inc., payable in eight equal quarterly instalments, for achieving gold production at Hope Bay.

Read the full release [here](#).

On January 19, TMAC issued another release indicating that the Public Review of TMAC Resources' Draft Environmental Impact Statement and Water Licence Application for Madrid and Boston Initiated. Click [here](#) for that release.

Mountain Province Announces Q4 Production and Sale of First Diamonds

Toronto and New York, January 26, 2017 – Mountain Province Diamonds Inc. ("Mountain Province", the "Company") (TSX and NASDAQ: MPVD) today announced the production results for the fourth quarter ended December 31, 2016 from the Gahcho Kué Diamond Mine together with the completion of the Company's first diamond sale held between January 16 and 25 in Antwerp, Belgium.

The total mining of waste and ore from the 5034 open pit for the twelve months to December 31, 2016 was approximately 22.5 million tonnes with approximately 70,000 tonnes of ore stockpiled at yearend.

Ramp-up production at Gahcho Kué commenced ahead of schedule on August 1, 2016. During the period from August 1 to December 31, 2016 the Gahcho Kué mine processed 515,000 tonnes of kimberlite recovering 862,000 carats for an average grade of 1.67 carats per tonne. During the fourth quarter of 2016 the plant processed approximately 412,000 tonnes of ore and produced 697,000 carats on a 100 percent basis, of which the Company's 49 percent share is approximately 341,000 carats.

Mountain Province President and CEO Patrick Evans commented: "Commissioning ramp up from August to early December went smoothly. Extremely cold conditions during December impacted the mine's conveyor systems, but the mining and processing progressed satisfactorily. Winterization measures to address the conveyor issues are well underway with commercial production now expected to be achieved by the end of the current quarter."

Mountain Province today also reported the results of the Company’s first diamond sale. A total of approx. 49,420 carats were sold for proceeds of approx. US\$6.27 million representing an average price of approx. US\$127 per carat.

Approximately 75 percent of the parcels offered were sold. The balance, which represent smaller, predominantly brown and lower quality diamonds, were withdrawn due either to no bids being received or unacceptably low bids. This is principally a consequence of a decline in demand for smaller, lower quality diamonds, due in large part to liquidity restrictions caused by demonetization in India. The diamonds sold should not be taken as representative of the longer term realized diamond price profile.

Mr. Evans commented: “Our first diamond sale was well attended with 96 companies bidding for individual parcels. The introduction to the market of first production from a new mine is a price discovery exercise with buyers naturally cautious. As our production volumes increase and the market becomes more familiar with our diamonds, we expect interest to grow. The level of demand for our smaller lower-quality diamonds was disappointing, but we expect improvements as Indian liquidity issues abate.”

The Company’s next sale is scheduled to commence on February 20, 2017, and will occur once every five weeks thereafter.

Dominion Diamond Reports Diavik Diamond Mine Q4 Production

On January 16, 2017, Dominion Diamond Corporation (TSX: DDC, NYSE: DDC) reported Diavik Diamond Mine production results for the fourth calendar quarter of 2016:

Diavik Diamond Mine Production (100% basis)

	Full Year 2016	Full Year 2015	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015
Tonnes Processed (millions)	2.21	1.98	0.54	0.58	0.54	0.56	0.46	0.48	0.56	0.48
Carats Recovered (millions)	6.66	6.41	1.65	1.54	1.58	1.88	1.50	1.27	2.14	1.50

Note: Totals may not add up due to rounding

Processing volumes in the fourth calendar quarter of 2016 were 16% higher than in the same quarter of the prior year due to the extended planned maintenance shutdown in the processing plant during the fourth quarter of calendar 2015.

Diamonds recovered in the fourth calendar quarter of 2016 were 10% higher than in the same quarter of the prior year, reflecting higher processing volumes that were partly offset by lower recovered grade.

Diamonds recovered in calendar 2016 of 6.7 million carats were 4% higher than in calendar 2015, but 4% lower than the revised calendar 2016 plan of 6.9 million carats. Lower-than-expected diamond recovery reflected lower grades due to underground dilution, which resulted from granite sloughing from the walls of the open pit.

The completion of A-21 dike construction and the start of dewatering are expected during calendar 2017, in accordance with the project plan.

A new mine plan and budget for calendar 2017 is under review by Rio Tinto plc and the Company.

Run of Mine Production – Calendar 2017 Diavik Diamond Mine (100% basis)	Tonnes Mined (millions)	Tonnes Processed (millions)	Carats (millions)
Preliminary Mine Plan for Calendar 2017	2.1 - 2.3	2.0 - 2.2	7.1 - 7.6

Mining activities will be exclusively underground. Processed ore will be sourced from the following kimberlite pipes in the approximate proportions noted below:

Diavik Kimberlite Pipes	Percentage of Tonnes Processed
A-154 South	20%
A-154 North	35%
A-418	45%

Production from Coarse Ore Rejects (“COR”) is expected to be negligible in 2017. Production from COR is not included in the Company’s ore reserves, and is therefore incremental.

Read the full release [here](#).

Dominion Diamond increases ownership in part of their property

Dominion Diamond Corporation announced on February 1 that its participating interest in the Buffer Zone Joint Venture at the Ekati Diamond Mine has increased from 65.3% to 72.0%, effective as of February 1, 2017, in accordance with the joint venture agreement relating to the Buffer Zone.

The increase in ownership results from the decision of the minority partner not to participate in the full fiscal year 2017 capital program for the Buffer Zone Joint Venture. The Company has funded those elements of the program that were not funded by the minority partner.

The Buffer Zone Joint Venture contains 106 mining leases covering 89,184 ha, and includes the Jay and Lynx kimberlite pipes. On July 6, 2016, the Company released the results of a positive feasibility study on the Jay project.

The Ekati mine consists of two joint ventures, the Core Zone Joint Venture and the Buffer Zone Joint Venture, in which the Company has an interest of 88.9% and 72.0%, respectively. All of the production in fiscal year 2017 was sourced from the Core Zone.

Sabina Gold & Silver Reports INAC Minister Deems Regulatory Report Deficient

Refers Back to NIRB for Further Review

On January 13, Sabina Gold & Silver Corp (SBB.T), announced that the Minister of Indigenous and Northern Affairs Canada (“INAC”), with the agreement of other responsible ministers, has decided that the Back River Project (“Back River” or the “Project”) should be returned to the Nunavut Impact Review Board (“NIRB”) for further consideration under Section 12.5.7 (e) of the Nunavut Agreement.

On June 15, 2016, the NIRB recommended to the Minister of INAC that the Back River Project not proceed to the next phase of permitting at this time. Since that time, the Minister of INAC and the other responsible ministers have been considering the NIRB Report.

In her letter of January 12, 2017 to the NIRB, the Minister of INAC stated “After careful consideration...we are referring the Report back to the Board for further review or public hearings as the Report is deficient with respect to some ecosystemic issues. In our view, based on the process to date, it is premature to conclude that the Project would lead to unacceptable or unmanageable ecosystemic or socioeconomic impacts. There were a number of areas where there was insufficient information presented in the [NIRB] Report to support the conclusions of the Board, and where further information is required so that the ministers may understand the rationale behind the conclusions presented by the Board prior to making a decision on whether the project should proceed. This is particularly important in areas where the Board has expressed a lack of confidence or significant uncertainty while the Report and the broader record indicates that many of the participants (including Indigenous and non-Indigenous witnesses and subject matter experts) expressed confidence that the measures presented could mitigate and manage potential adverse effects to an acceptable level. A deeper inquiry into the issues identified by the Board might point to sound management approaches.”

With respect to caribou, the Minister of INAC referred to the jointly proposed terms and conditions for caribou submitted by Sabina, the Kitikmeot Inuit Association (“KIA”) and the Government of Nunavut and recommended further in-depth review of that submission to provide an opportunity for the Board and others to clearly understand the effectiveness of the proposed measures.

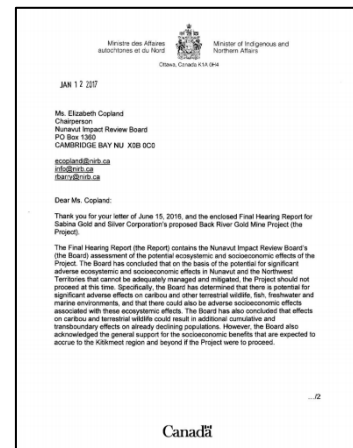
A link to a copy of the Minister’s letter can be found [here](#).

Sabina has received broad based Inuit support for the Project both at the final hearings in April and since the NIRB Report in mid-June. Written letters to the Minister on behalf of Sabina and the Project have been received from the KIA (the land owner) Hamlet Councils, Hunters and Trappers Organizations, community representatives, as well as the Government of Nunavut.

Next Steps

Sabina will await direction from the NIRB on how the additional review of the Project is to proceed. We remain confident that there are no unresolvable issues which cannot be addressed during this period and look forward to working with the NIRB and others to address any outstanding concerns.

“We are extremely pleased that the Minister has determined that the NIRB should reconsider its recommendation regarding the Project,” stated Bruce McLeod, President and CEO. “We understand and support the NIRB’s desire for a high level of confidence in the mitigation and management proposed and believe that we have defined programs to address their issues. Sabina has continued to engage with the communities and work with the KIA and responsible



Click for Minister's letter

government agencies since the final hearings to further advance our plans, including additional enhancements of our Wildlife Mitigation and Monitoring Program. We would like to thank the KIA, the Government of Nunavut and the various Kitikmeot community representatives and groups who expressed their continued support for the Project, and we look forward to reengaging with the NIRB to determine the best path forward. Back River is aiming to be one of the next gold mines in Nunavut providing much desired jobs, training, infrastructure and economic opportunities to the Territory with a best in class approach to protecting the environment."

Canadian Zinc starts Mineral Processing Optimization Programs on Prairie Creek

On January 13, Canadian Zinc announced that, as part of its ongoing feasibility studies, the Company has engaged SGS Canada Inc. to undertake further mineral processing optimization testing on new composite bulk samples from underground drill holes in the Prairie Creek Mine in the Northwest Territories.

The principal objectives of the program are to examine new and un-oxidized zones of the deposit, to optimize the proposed mineral processing flow sheet and to simplify the flotation circuit design, thereby improving the projected metal recoveries and lowering milling production costs.

The programs include definition of the grinding requirements and evaluation of the response of variability samples to the optimized processing method. In addition, the waste products generated in the test programs will be utilized in designing treatment plans for the process water and in testing paste tailings for underground disposal.

It is estimated the metallurgical program will take four months to complete and will provide valuable additional information on:

- Geochemical/mineralogical characterization;
- Dense media separation performance on three master composites;
- Grindability-Bond ball mill index and abrasion index;
- Open cycle flotation variability testing;
- Locked cycle flotation testing;
- Bulk flotation concentrate for smelter evaluation;
- Settling and filtration testing; and
- Tailings characterization.

It is expected that the new mineral processing testing will facilitate process optimization and lead to improvement in projected metal recoveries, and will provide accurate projections for feasibility study purposes of life-of-mine processing factors for the proposed Prairie Creek Mine operation.

Read the full release [here](#).



[Download](#) Canadian Zinc's latest corporate brochure.

De Beers Rough Diamond Sales for Cycle 1, 2017

On 24 January 2017, the De Beers Group of Companies announced the value of rough diamond sales (Global Sightholder Sales and Auction Sales) for the first sales cycle of 2017.

Bruce Cleaver, CEO, De Beers Group, said: “We saw good demand across the majority of our assortment during the first sales cycle of the year, as the industry entered the period when rough diamond demand is traditionally strongest. The longer period between the final Sight of 2016 and the first Sight of 2017 also contributed to heightened demand during the cycle.

“While the reopening of some diamond polishing operations in India saw something of an increase in demand for smaller, lower quality rough diamonds, we maintain a cautious outlook for these categories as the Indian industry continues to adjust to the post-demonetisation environment.” Read more [here](#).

De Beers’ CEO on future diamond success

Bruce Cleaver: Collaboration, Preparation and Collective Progress will be key to Success in an Unpredictable World

Speaking at a reception for customers of its Global Sightholder Sales business during the first Sight of 2017, Bruce Cleaver, De Beers Group CEO, today highlighted the importance of all parts of the diamond sector working together, following the unpredictable events of a volatile year in 2016.

Commenting on the value of different parts of the diamond pipeline finding ways to work together more effectively, Mr Cleaver said: “We have made some good steps in this direction, with greater collaboration across the value chain to stimulate demand, to share industry insight and to support pipeline efficiency. But we must continue on this path and maximise the impact of our combined efforts to grow industry value.”

Mr Cleaver said, however, that it was vital for all parts of the value chain to benefit from industry progress, noting that: “None of us in the diamond industry can succeed sustainably in isolation. We must find ways to progress together, and we must continue to view challenges and opportunities from each other’s perspectives.”

Highlighting areas of opportunity for the sector, Mr Cleaver noted: “With the industry’s medium to long term fundamentals being so positive, clearly there is opportunity for investing in financially robust and transparent diamond businesses.” He also stated that: “The commercial environment in which we operate is changing rapidly and...if we can find ways to compete more effectively in this evolving environment, then the change becomes a great opportunity.”

Alongside making a commitment for De Beers to continue its investment in both proprietary and category-based consumer marketing activities, Mr Cleaver went on to say that De Beers would launch a new and improved diamond verification instrument later in the year to help maintain trade and consumer confidence: “Our new Automated Melee Screening instrument, the AMS2...will be a significant leap forward in the technological response to product integrity

challenges and we believe the AMS2 will play a major role in bolstering confidence across the value chain.”

Exploration & Development News Briefs

Agnico Eagle VP Nunavut, Dominique Girard wins Bill Moore Award

Congratulations to Agnico Eagle Mines VP Nunavut, Dominique Girard, who won the Bill Moore Special Achievement Award.

The Bill Moore Special Achievement award is made from time to time as circumstances warrant in recognition of outstanding results achieved by an active CIM/CMP member throughout the early part of his/her career in mineral processing. This award is specifically intended to honour a younger member of the industry under the age of 35.

The Canadian Mineral Processors (CMP) is a Technical Society of the Canadian Institute of Mining, Metallurgy and Petroleum.

Auryn Announces Strategic Investment by Goldcorp Inc. – On January 9th, 2017 Auryn Resources Inc.



(TSX: AUG, OTCQX: GGTCF) (“Auryn” or the “Company”) announced that it has entered into an Investment Agreement with Goldcorp Inc. for a strategic equity placement whereby Goldcorp will purchase directly and indirectly in two tranches 9,542,402 common shares of Auryn for C\$3.67 per share. After giving effect to the Placement, Goldcorp will own 12.5% of Auryn’s outstanding common shares. In addition, Auryn and Goldcorp have entered into an Investor Rights and Obligations

Agreement whereby, as long as Goldcorp maintains a 5% or greater equity ownership interest in Auryn. Shawn Wallace, Auryn’s President and CEO, commented that “We are very pleased to have secured an important investment with an industry leader such as Goldcorp, on favourable terms that minimizes dilution to our shareholders. Auryn is now fully funded to complete one of the most extensive, globally significant exploration programs in 2017. The program will include a planned 55,000 meters of exploration drilling across six projects in Canada and Peru and expect to make a number of advances that could potentially contribute to the realization of multiple major gold discoveries.” Auryn has a sizable land position in the gold rich Committee Bay Belt, Nunavut. Read the full release [here](#).

Darnley Bay Resources Strengthens Management Team

– On January 19, Darnley Bay Resources Limited (TSXV: DBL) announced the appointment of three new important members to its management team, following the successful acquisition of the Pine Point zinc project near Hay River, Northwest Territories. Read full details [here](#).

Kennady Diamonds Inc. Reports Sample Grade of 2.18 carats per tonne for Faraday 3 Kimberlite: Winter Exploration and Bulk Sampling Begins at Faraday. On January 17, Kennady Diamonds Inc. (“Kennady”, the “Company”) (TSX-V: KDI) announced diamond recovery results from the Faraday 3 kimberlite at the Company’s 100 percent-controlled Kennady North project. A total of 3.03 tonnes of kimberlite recovered by core drilling at Faraday 3 in 2016 was processed by caustic fusion at the Geoanalytical Laboratories Diamond Services of the Saskatchewan Research Council (“SRC”) to return a sample grade of 2.18 carats per tonne. Kennady Diamonds President and CEO Dr. Rory Moore noted: “Our first diamond results for Faraday 3 since its discovery in March 2016 confirm its high-grade, similar to our other kimberlites within the Kelvin-Faraday Corridor. Significant progress was made delineating and sampling the Faraday 3 kimberlite during 2016, defining its strike over 375 meters with the pipe still open to the northwest. We expect further positive results from Faraday 3 as our winter

sampling program begins." Read the full release [here](#).

Kennady Reports Sample Grades of 3.14 carats per tonne at Faraday 1 and 3.22 carats per tonne at Faraday 2. Bulk Sample Drilling Underway on Faraday 2. On January 23, Kennady Diamonds announced diamond recovery results from the Faraday 1 and 2 kimberlites at the Company's 100 percent-controlled Kennady North project. The samples were recovered by core drilling during 2016 and processed by caustic fusion at the Geoanalytical Laboratories Diamond Services of the Saskatchewan Research Council ("SRC").

Kivalliq Energy Announces \$3 Million Financing Package; Sandstorm Makes Equity Investment And Payment For Royalty Portfolio. Kivalliq Energy Corporation (TSX-V:KIV) announced on January 16 a CDN\$3 million financing package, comprised of a non-brokered private placement financing to raise gross proceeds of CDN\$2.074 Million, and a CDN\$1.0 Million payment from Sandstorm Gold Ltd., subject to certain conditions, in return for Kivalliq granting to Sandstorm a royalty portfolio on certain Kivalliq projects, principally a 1% net smelter returns royalty payable on all mineral products produced from the Angilak Property uranium project in Nunavut. Net proceeds will be used to fund exploration and property costs at Kivalliq's projects in Canada, as well as for general corporate purposes. Read the full release [here](#).

North Arrow Minerals Inc. (TSXV-NAR) announced January 17 that it has entered a property purchase agreement with Stornoway Diamond Corporation (TSX-SWY) under which North Arrow will acquire Stornoway's remaining interests in the Qilalugaq (Nunavut) and Pikoo (Saskatchewan) Diamond Projects. Upon closing the transaction, North Arrow will hold 100% interests in both projects. Ken Armstrong, President and CEO of North Arrow, stated, "The agreement announced today allows North Arrow to consolidate our ownership of the Qilalugaq and Pikoo Projects without up-front cash payments and provides the company with greater flexibility to manage continued evaluation of two of the most compelling exploration stage diamond projects in Canada. The Qilalugaq Project, Nunavut, hosts the large Q1-4 kimberlite which contains a population of fancy orangey yellow diamonds that are unique in Canada. A diamond drill has been mobilized to the community of Naujaat, just 9 km from Q1-4, where a drilling and sampling program is

planned for this spring and summer. Further, the Pikoo Project remains Canada's most recently discovered new diamond field with kimberlite intersected in 70% of the drill holes completed to date. We continue to define priority drilling targets at Pikoo both near existing discoveries and at the heads of un sourced kimberlite indicator mineral trains." Read the full release [here](#).

Silver Range Resources Ltd. (TSX-V:SNG) ("Silver Range") provided a review of 2016 activities and 2017 plans on January 17. In March 2016, Silver Range announced a change in business strategy, reconfiguring the Company as a precious metals prospect generator focused on Northern Canada and Nevada - politically stable jurisdictions known to host large high grade gold deposits. Since June, the Company has acquired 25 projects in the NWT, Nunavut and Nevada and has optioned-out two projects. "In the year ahead, we expect to add more high grade gold prospects to our portfolio but our main objective will be finding partners for our projects," states Mike Power, President and CEO of Silver Range. "We believe that our focus on high grade mineralization will ensure that our projects are attractive regardless of market conditions." Read the full release [here](#) for the most important developments during 2016.

TerraX Minerals Inc. announced February 1 that it had staked 253 square kilometres of contiguous ground in the highly prospective Yellowknife Gold District, effectively tripling the size of its land position at the Yellowknife City Gold project. This additional ground was staked based on extensive research completed on prospective surrounding lands over the last three years and brings TerraX's total holdings adjacent to the City of Yellowknife in the Northwest Territories to 382 sq km, all of which is wholly-owned by TerraX. The map indicating the newly acquired lands can be accessed [here](#) and is available on our [web site](#) under "Yellowknife City Gold Project" at www.terraxminerals.com.

TerraX Minerals Inc. announced January 24, it had received Land Use Permit for Southbelt and prepares for 17,000 meter drill program in 2017. Drilling at Southbelt should commence around the end of February once access routes into the target areas have been completed. Joseph Campbell, the CEO of TerraX, stated "The prompt issuance of the Land Use Permit is supportive of the stated mandate of the Northwest Territories government to facilitate responsible exploration on its lands. The permit

allows TerraX to begin drilling on the highly prospective Southbelt property targets which represent the continuation of gold structures south of the former Con Mine where TerraX has received surface assay results up to 94.9 g/t gold." Read the release [here](#).

TerraX Minerals Inc. announced assay results on January 11 from the remaining 23 holes (6,422.6 meters) from the 2016, drill program at multiple zones on the Yellowknife City Gold Project ("YCG"), immediately north of Yellowknife in the Northwest Territories. Holes reported today are focused on the exploration drilling in the Sam Otto area (14 holes), but also reports three holes each on the Mispickel zone and Walsh Lake reconnaissance north of Mispickel. Results included 129.35 m @ 0.52 g/t Au (includes 32.13 m @ 1.24 g/t Au) at Sam Otto and 2.40 m @ 9.89 g/t Au at new Dave's Pond Zone,

Yellowknife. Joseph Campbell, the CEO of TerraX, stated "TerraX has envisaged the Sam Otto area as a potential bulk tonnage target that could take advantage of the excellent infrastructure in the Yellowknife area and supplement the potential mine development of our previously reported high grade gold zones. These drill results certainly confirm the bulk tonnage potential with the Main/Hanging Wall Zones, extending gold mineralization for at least 350 meters of strike and 250 meters of depth, with 30-50 meter wide zones of greater than 1 g/t Au. These zones remain open in all directions. Additionally, the higher grade multi-gram intersections reported here are indicating that the area may also host classic high grade lode gold targets common to Archean gold systems in Canada. This large mineralizing system will be tested along strike, dip and plunge directions when drilling resumes in January 2017." Read the full release [here](#).

Territorial premiers meet to discuss northern policy

In a joint news release, the premiers of Yukon, the Northwest Territories, and Nunavut announced a meeting was held in Vancouver during Roundup to discuss northern policy and common pan-territorial priorities, including sustainable development. Premiers reaffirmed their support for mining, and commitment to a robust, sustainable economy in the North.

Premiers discussed plans for cooperating on a pan-territorial vision for ongoing growth and development. The Government of NWT will lead the development of a Sustainable Development Strategy that will help ensure that Northerners have a strong, collective voice in ongoing discussions about the future of the North and have a role in shaping any decisions affecting the North and its people.

Premiers will also collaborate, and work with Indigenous peoples in their respective territories, to develop a common set of values and principles which will guide the development of a new Pan- Territorial Northern Policy. Read the full release [here](#).

Uncovering the secrets of North America's largest diamond – Diavik's Foxfire!

Check out BBC's news video about North America's largest diamond, Foxfire, which was mined at our NWT Diavik mine!

Africa is home to the world's largest diamonds – but advances in mining technology are enabling other regions of the world to get in on the act. Most recently, Canada unearthed the biggest diamond ever found in North America – the Foxfire. It has spent the last couple of months on display at the Smithsonian's National Museum of Natural History in Washington.

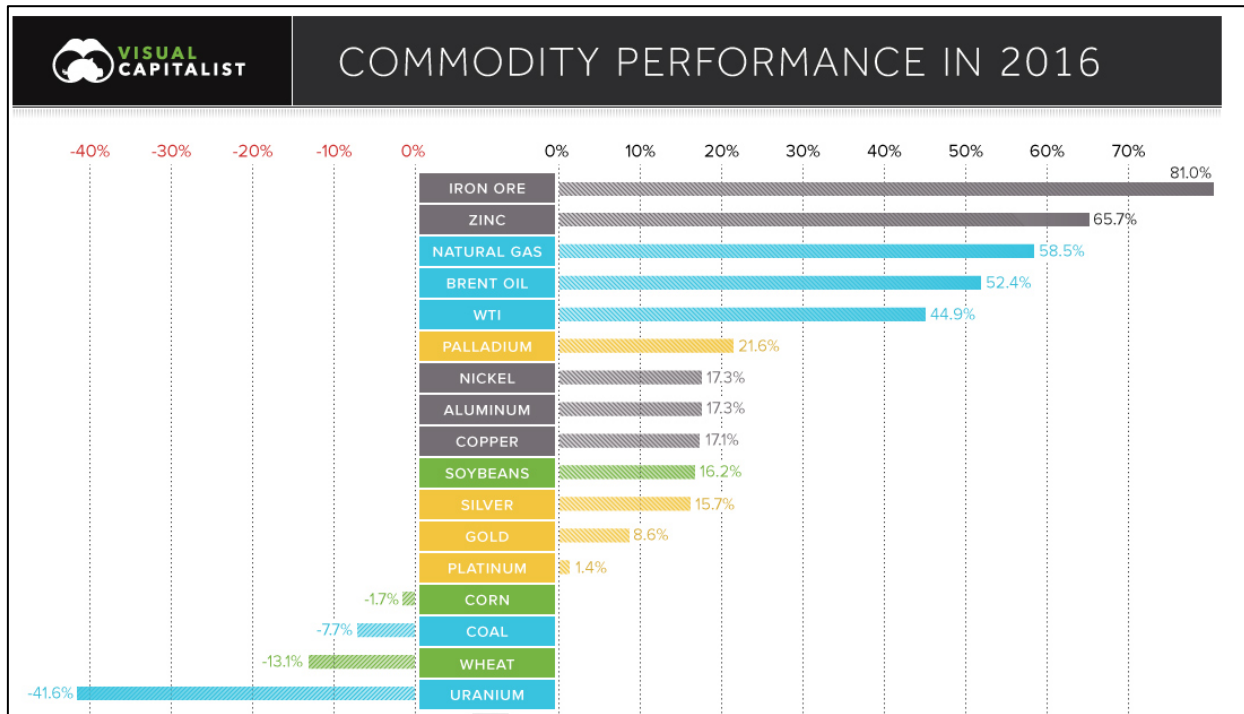
The BBC's Jane O'Brien went to see it. Click [here](#) to view the story.



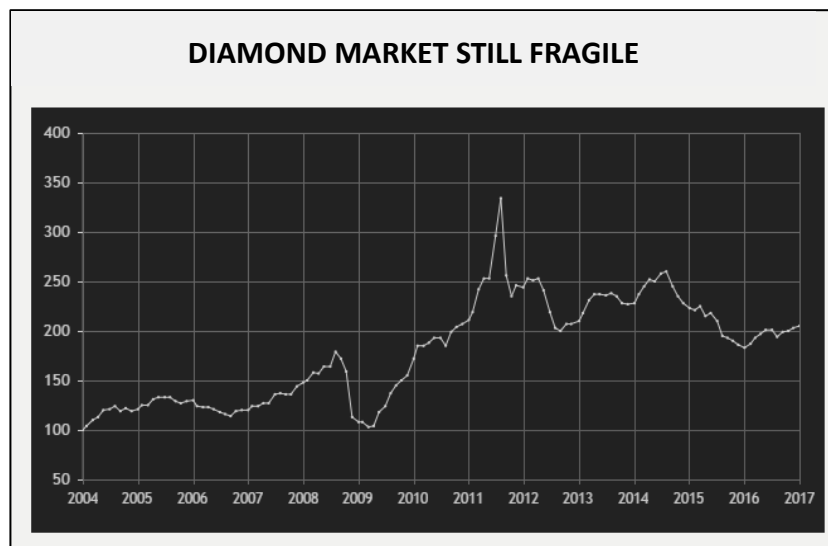
2016 Commodity Prices in a Snapshot

A chart (below) produced through Visual Capitalist caught our eye for its one shot view of last year’s commodity performance. According to the site, “iron ore and zinc were the best performing commodities on the face of the planet in 2016. Iron finished up 81%, its first calendar gain in four years. Meanwhile, zinc shot up 65.7% on the year as major zinc mines shut down, and supply stockpiles dwindled.” Check out the original chart by clicking [here](#).

You can subscribe to Visual Capitalist for free, and follow their great work daily or weekly.



Source: Visual Capitalist: <http://www.visualcapitalist.com/chart-every-commodity-2016/>



While commodity performance is improving, the diamond market is still fragile. (Source [RoughPrices.com Overall Index](#))

Scotiabank Commodity Price Index – Commodity Price Index Ends 2016 Up 6.2%

A large Oil & Gas gain in December complemented monthly gains in all other sub-indices.

- **Commodities are expected to broadly benefit from rising prices in 2017 after many averaged cycle-lows last year.** Oil will remain top-of-mind as OPEC output reductions are monitored and the market finally gets a taste of how quickly the US shale patch can put rigs and workers back to use as prices hover around \$55 per barrel.
- **Base metals are expected to gain from a more-buoyant global economy** and rising manufacturing activity, with copper fundamentals in particular improving relative to our prior outlook.
- **Meanwhile, the gold outlook has deteriorated slightly** on the back of a stronger macro outlook, rising yields, and thus-far muted market response to political uncertainty.

Selected Highlights:

We have upgraded our price forecasts for all base metals in 2017 as fundamentals improve on the back of stronger global economic growth and rising manufacturing activity. Copper saw the most significant outlook adjustment, as stronger-than anticipated Chinese demand runs up against weaker supply growth. Nickel prices were boosted in 2017 but downgraded in 2018 to account for the assumed ramp-up of domestic Indonesian nickel pig iron (NPI) capacity. Zinc remains the metal with the strongest supporting fundamentals, and the higher 2016 hand-off prompted a mild upgrade to price expectations.

The zinc market remains acutely starved of concentrate following significant mine closures and price-prompted idling over the past two years, with global concentrate inventories falling to critically-low levels by the end of 2016. Zinc prices are forecast to average \$1.35/lb in 2017 and \$1.55/lb in 2018, continuing the already-impressive gains made over the course of 2016. The key uncertainty for zinc remains how quickly Glencore restarts 500kt worth of mine capacity that was strategically idled in 2015-16.

Gold's outlook has deteriorated since our last report, with prices now forecast to average \$1,200/oz in 2017 and 2018 from \$1,300/oz prior. The upgraded global economic outlook, rising inflation and interest rate expectations, and the thus-far muted market response to political events widely considered to stoke uncertainty all speak to gold's dimmer prospects. We are also closely tracking developments associated with India's demonetization push, which has the potential to negatively impact demand in the world's largest physical gold importer. However, we continue to believe that the market's sanguine view of the risk environment is slanted bullish, and that gold will find some support as these views revert to balance.

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

Commodity Price Index Ends 2016 Up 6.2% m/m

A large Oil & Gas gain in December complemented monthly gains in all other sub-indices.

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Chart 1
 OPEC Deal Constraints Supply While Demand Marches Ahead

Table 1
 Scotiabank Commodity Price Index

	Dec 2016	Nov 17	17D
All Commodity	6.2	24.9	4.7
Industrials	7.1	24.6	4.9
Oil & Gas	16.1	16.1	0.0
Metals & Minerals	0.1	24.3	4.5
Food & Precious	1.1	16.2	4.8
Agriculture	1.8	19.8	4.8

January 2017 = 100

	Dec 2016	Nov 17	17D
All Commodity	103.3	107.3	9.6
Industrials	106.4	107.7	0.6
Oil & Gas	82.0	85.9	9.6
Metals & Minerals	114.8	114.6	-0.2
Food & Precious	119.1	118.3	-0.8
Agriculture	119.4	117.8	-1.6

Source: OPEC (Oil), IEA (Oil, Gas, Coal, Nuclear, Wind & Solar), USDA (Food & Precious), FAO (Agriculture) (15.2%). Full technical note on page 7.

Welcome New Members!

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

- **Crystal Exploration** is a Canadian based mineral exploration company focused on the discovery, financing and development of diamond assets. Crystal is backed by proven and seasoned resource sector professionals who have a track record of advancing exploration projects from grassroots through to production scenarios. The Crystal team is focused on advancing diamond assets that are economic and generate significant shareholder value. Crystal Exploration is a Project Generator and Developer. Learn more at <https://www.crystalexploration.com/>.
- **Bassett Petroleum Distributors Ltd.** is a product and service provider to the mining industry, among others. Bassett Petroleum Distributors operates in four major markets providing Bulk Petroleum Hauling, Dry Bulk Hauling, General Freight Hauling, Commercial Fuels and Lubricant Sales, as well as Heavy Duty Maintenance. Bassett Petroleum is committed to serve the broad needs of the residents and business located in key markets in the north and western provinces. Bassett Petroleum's focus since 1989 is to provide quality products and to serve the needs of the individual as well as any small and major businesses in these areas. Learn more at: <http://www.bassettpetroleum.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.

- 1 February 2017, [TerraX stakes 253 square kilometres of contiguous ground in the highly prospective Yellowknife Gold District](#)
- 1 February 2017, [Dominion Diamond Corporation Recalculates Ownership Interests in Buffer Zone at Ekati Diamond Mine](#)
- 30 January 2017, [Dominion Diamond Corporation Announces CEO Transition](#)
- 27 January 2017, [Darnley Bay strengthens Management Team](#)
- 27 January 2017, [Mountain Province Diamonds Announces Production Results for the Fourth Quarter ended December 31, 2016 and Completion of First Diamond Sale](#)
- 24 January 2017, [TerraX receives Land Use Permit for Southbelt and prepares for 17,000 meter drill program in 2017](#)
- 24 January 2017, [De Beers Rough Diamond Sales for Cycle 1, 2017](#)
- 23 January 2017, [Kennady Reports Sample Grades of 3.14 carats per tonne at Faraday 1 and 3.22 carats per tonne at Faraday 2](#)
- 19 January 2017, [Public Review of TMAC Resources' Draft Environmental Impact Statement and Water Licence Application for Madrid and Boston Initiated](#)
- 18 January 2017, [Fortune Minerals announces appointment of PWC as Financial Advisor to arrange NICO project financing](#)
- 18 January 2017, [New TMAC Hope Bay Presentation: Building Canada's Next Gold Mining District, Jan 2017](#)

- 17 January 2017, [De Beers' Bruce Cleaver: Collaboration, Preparation and Collective Progress will be Key to Success in an Unpredictable World](#)
- 17 January 2017, [Silver Range Review and Update](#)
- 17 January 2017, [Kennedy Diamonds Reports Sample Grade of 2.18 carats per tonne for Faraday 3 Kimberlite](#)
- 17 January 2017, [North Arrow Acquires Remaining Interests in Qilalugaq \(Nunavut\) and Pikoo \(Saskatchewan\) Diamond Projects from Stornoway](#)
- 16 January 2017, [Dominion Diamond Corporation Reports Diavik Diamond Mine Fourth Calendar Quarter Production](#)
- 16 January 2017, [Kivalliq Energy Announces \\$3 Million Financing Package; Sandstorm Makes Equity Investment And Payment For Royalty Portfolio](#)
- 13 January 2017, [Canadian Zinc Initiates Mineral Processing Optimization Programs on the Prairie Creek Deposit](#)
- 13 January 2017, [Sabina Gold & Silver Reports Minister of Indigenous & Northern Affairs Canada Deems Nunavut Impact Review Board Report Deficient Refers Back to NIRB for Further Review](#)
- 12 January 2017, [Fortune Minerals Reports Federal Government Funding for Tlicho All-Season Road to the Community of Whati](#)
- 11 January 2017, [TMAC Resources' Guidance for 2017 and Update on Commissioning of Processing Plant at Doris Mine](#)
- 11 January 2017, [TerraX drills 129.35 m @ 0.52 g/t Au \(includes 32.13 m @ 1.24 g/t Au\) at Sam Otto and 2.40 m @ 9.89 g/t Au at new Dave's Pond Zone, Yellowknife.](#)
- 10 January 2017, [Agnico Eagle Provides Notice of Release of Fourth Quarter and Full Year 2016 Results and Conference Call](#)
- 9 January 2017, [Auryn Announces Strategic Investment by Goldcorp Inc.](#)
- 5 January 2017, [Mountain Province Diamonds Announces Toronto Stock Exchange Ticker Symbol Change](#)
- 4 January 2017, [Peregrine Provides Board and Management Update](#)
- 4 January 2017, [Kaizen Discovery appoints industry veteran Tom Peregoodoff as President & CEO](#)

Calendar of Events

- **PDAC 2017** International Convention, Trade Show & Investors Exchange, March 5-8, 2017, Toronto, Canada. This is the world's leading Convention for people, companies and organizations in, or connected with, mineral exploration. In addition to meeting over 900 exhibitors and 22,000 attendees from 125 countries, you can also attend technical sessions, short courses and networking events. To learn more and to register, click [here](#).
- **2017 Nunavut Mining Symposium** will be held in Iqaluit from April 3 - 6, 2017. And - this will be its 20th year! Be sure to look for some special feature for this occasion! Call for speakers and registration will be open soon. To learn more and to register, click [here](#).
- **Resources for Future Generations (RFG2018)**, June 16-21, 2018, Vancouver Convention Centre, BC. With themes covering all of the key geoscience sectors across all of professional practice – Minerals, Energy, Water and the Earth. Organizers are Calling for Sessions and you can submit your session proposal at: www.RFG2018.org. Abstracts will be sought in June 2017.

Mines & Promising Northwest Territories Mine Projects

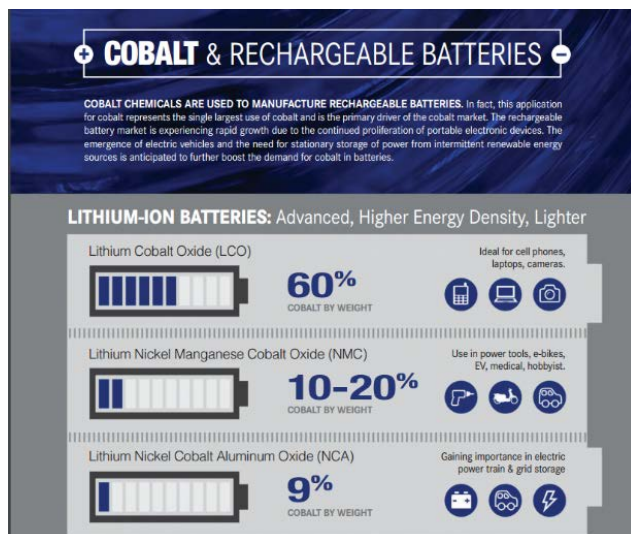
The following table describes a number of leading mineral development projects in the NWT.

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 2015 approximately 1,800. The Ekati mine consists of two joint ventures, the Core Zone Joint Venture and the Buffer Zone Joint Venture, in which the Company has an interest of 88.9% and 72.0%, respectively. All of the production in fiscal year 2017 was sourced from the Core Zone.	News Release, January 30, 2017: Dominion Diamond Corporation Announces CEO Transition: Brendan Bell leaving Dominion News Release, February 1: Dominion Diamond Corporation Recalculates Ownership Interests in Buffer Zone at Ekati Diamond Mine
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, January 16, 2017: Dominion Diamond Corporation Reports Diavik Diamond Mine Fourth Calendar Quarter Production
Gahcho Kué Mine	De Beers & Mountain Province	Diamonds	Located approximately 280 km NE of Yellowknife, NWT. Mine life 12 years. First production ahead of schedule in Q2 2016. Mine is ramping up production and is on track to reach full commercial operation in the first quarter of 2017. Comprised of three open pits, the mine will employ 530 people full-time, with the majority working a two-week in/two-week out rotation.	Mtn Province News release, January 5, 2017: Mountain Province Diamonds Announces Toronto Stock Exchange Ticker Symbol Change Mountain Province News Release, January 26, 2017: Mountain Province Announces Q4 Production and Sale of First Diamonds
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.	News Release, December 16, 2016: Extended Care and Maintenance to Proceed at Snap Lake Mine

NWT & Nunavut Chamber of Mines – Northern Mining News

Cantung Mine (Closed, on care & maintenance)	North American Tungsten	Tungsten, copper	<p>Cantung is in the mountains of western NWT, ~300 km by road NE of Watson Lake, Yukon.</p> <p>North American Tungsten (NATC) filed for Court protection under the CCAA on June 9, 2015.</p> <p>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>	<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	<p>Proposed underground mine 120 km W of Ft. Simpson. Estimated mine jobs: 220</p> <p>All permits now in place to construct and operate the mine. Preliminary Feasibility Study completed in early 2016 supports longer, 17-year mine life.</p> <p>The company's proposal to construct a new airstrip and all-weather road is undergoing environmental assessment.</p>	<p>News Release, January 13: Canadian Zinc Initiates Mineral Processing Optimization Programs on the Prairie Creek Deposit</p>
Kennady North	Kennady Diamonds Inc.	Diamonds	<p>Kennady Diamonds controls 100% of Kennady North project comprising 13 leases and claims immediately to north and west of 4 leases controlled by the Gahcho Kué Joint Venture (see above). Kennady Diamonds aims to identify a resource along the Kelvin – Faraday kimberlite corridor of between a 12 and 15 million tonnes at a grade of between 2 and 2.5 carats per tonne and also to identify new kimberlites outside of the corridor. The Kelvin – Faraday corridor is a target for further exploration. The tonnage estimate is based on the drilling completed to date. 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>	<p>News Release, January 17: Kennady Diamonds Reports Sample Grade of 2.18 carats per tonne for Faraday 3 Kimberlite</p> <p>News Release, January 23: Kennady Reports Sample Grades of 3.14 carats per tonne at Faraday 1 and 3.22 carats per tonne at Faraday 2. Bulk Sample Drilling Underway on Faraday 2</p>
NICO	Fortune Minerals Ltd.	Cobalt-gold-bismuth-copper	<p>Proposed open pit and underground mine located 50 km NE of Wha Ti. Estimated mine jobs: 150. Requires access to highway to Wha Ti, still to be constructed.</p>	<p>News Release, Jan 12, 2017: Fortune Minerals Reports Federal Government Funding for Tlicho All-Season Road to the Community of Whati</p> <p>News Release, January 18, 2017: Fortune Minerals announces appointment of PWC as Financial Advisor to arrange NICO project financing</p>
Nechalacho	Avalon Advanced Materials Inc.	Rare earth metals	<p>Proposed underground mine 100km SE of Yellowknife.</p> <p>Estimated mine jobs: 200.</p> <p>The Company remains optimistic that rare earth demand will recover sufficiently in 2015 to attract Project</p>	<p>News Release, November 7, 2016: Avalon Completes Non-Brokered Private Placement for Gross Proceeds of \$1 Million</p> <p>INDUSTRY BULLETIN, November 28: Avalon Receives Industry Award For Best use of Renewables for Mine Exploration</p>

			financing and allow construction work to begin by summer 2015.	News Release, November 30: Avalon Releases Annual Sustainability Report
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 November 1, 2016: Nighthawk Completes Strategic Investment by Kinross Gold and \$10.1 Million Non-Brokered Private Placement News Release, November 24: Nighthawk Continues to Expand Colomac Gold Zones - Drills New High-Grade Targets
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.



COBALT!

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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, October 26, 2016: Agnico Eagle Reports Third Quarter 2016 Results: Strong Operational Performance Continues; Ongoing Exploration Yields Positive Results at Amaruq, Sisar Zone at Kittila, Olmeca Zone at El Barqueno and Barsele Project in Sweden
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. The Qikiqtani Inuit Association (QIA) initiated arbitration proceedings with Baffinland Iron Mines Corporation (BIMC) on July 20, pursuant to the dispute resolution provisions of the Inuit Impact and Benefit Agreement alleging that Advance Payments of royalties owed to QIA are in arrears by \$6.25 million plus interest.
Hope Bay (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.	News Release, January 11: TMAC Resources' Guidance for 2017 and Update on Commissioning of Processing Plant at Doris Mine News Release, January 19: Public Review of TMAC Resources' Draft Environmental Impact Statement and Water Licence Application for Madrid and Boston Initiated
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	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


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			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.	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's Feasibility Study on its 100% owned Back River Gold Project 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, January 13, 2017: Sabina Gold & Silver Reports Minister of Indigenous and Northern Affairs Canada Deems Nunavut Impact Review Board Report Deficient Refers Back to NIRB for Further Review
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. News Release, September 27, 2016: MMG plans CEO succession
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, January 4, 2017, Peregrine Provides Board and Management Update
Angilak	Kivalliq Energy Corp.	Uranium	340,268 acre property located SW of Baker Lake; Hosts the high-grade Lac 50 Trend deposit	News Release, January 16, 2017: Kivalliq Energy Announces \$3 Million Financing Package; Sandstorm Makes Equity Investment And Payment For Royalty Portfolio
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 January 17, 2017: North Arrow Acquires Remaining Interests in Qilalugaq (Nunavut) and Pikoo (Saskatchewan) Diamond Projects from Stornoway. A diamond drill has been mobilized to the community of Naujaat, just 9 km from Q1-4,

				where a drilling and sampling program is planned for this spring and summer.
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 	News Release, November 25: Auryn reports remaining RAB drill results from 2016 program and Identifies two new high-grade boulder trains at Anuri and Ridge Prospects News Release, November 28: Auryn Identifies 17 High Priority Gold in Till Anomalies across the Committee Bay Belt News Release, November 30: Auryn Appoints Premier Mining Financier, Michael Kosowan to its Board of Directors
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.



Sabina Gold & Silver reports INAC Minister deems regulatory report deficient, and refers it back to NIRB for further review.



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Project Maps

