

# Northern Mining News

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## From the Executive Director ...

Major developments from Dominion Diamond Corporation this past month, including the Washington Group acquisition announcement and news of the final approval of the water licence for their Ekati mine's Jay Pipe. Taken together, there's certainly reason for optimism for the future of our first diamond mine.

Another big development for our industry was the news Sabina Gold & Silver Corp's Back River Project has been recommended proceed to licencing. Industry has been following this project very closely and with the new Nunavut Impact Review Board recommendation, we now look forward to the INAC Minister's decision. We are pleased that the Minister sent the earlier decision back to NIRB.

Other good news includes continued advances on the Hope Bay, Meadowbank, Meliadine and Gahcho Kué mine projects. Also, good to see updates on a number of exploration projects, including Kivalliq Energy's revival of the Baffin gold project.

Happy reading! ... Editor

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

## **Dominion to be Acquired by The Washington Companies for US\$1.2B**

### ***Acquisition represents 44% premium to Dominion share price***

Dominion Diamond Corporation, which operates and owns controlling interest in the Ekati Diamond Mine and is 40% owner of the Diavik Diamond Mine in the Northwest Territories, is to be sold to The Washington Companies.

The companies announced the deal, expected to close in the fourth quarter of 2017, on July 17, 2017.

Washington is a group of privately held North American mining, industrial and transportation businesses founded by industrialist and entrepreneur Dennis R. Washington.

Under the deal, Washington would pay US\$14.25 per Dominion share in cash; a total equity value of approximately US\$1.2 billion.

The transaction marks the result of Dominion's review of strategic alternatives announced on March 27, 2017.

“Dominion Diamond has an excellent collection of mining assets and a talented and experienced management team and workforce,” said Lawrence R. Simkins, President of Washington. “We are excited to work with their team to extend the mine life of the Ekati mine and continue partnering with Rio Tinto in the operation of the Diavik mine, while maintaining long-term employment for Dominion employees. The Washington Companies has a long track record of building businesses throughout North America, significant experience in mining as well as operating its investments in Canada, and a decades-long investment horizon. We share a commitment to providing long-term benefits to all Dominion stakeholders and to the Northwest Territories and its local communities.”

“The Washington offer delivers compelling and immediate value to Dominion shareholders at an attractive premium that recognizes the intrinsic value of Dominion and provides shareholders certainty through an all-cash offer,” said Jim Gowans, Chair of the Board of Dominion Diamond Corporation. “This offer is the result of a robust strategic review process

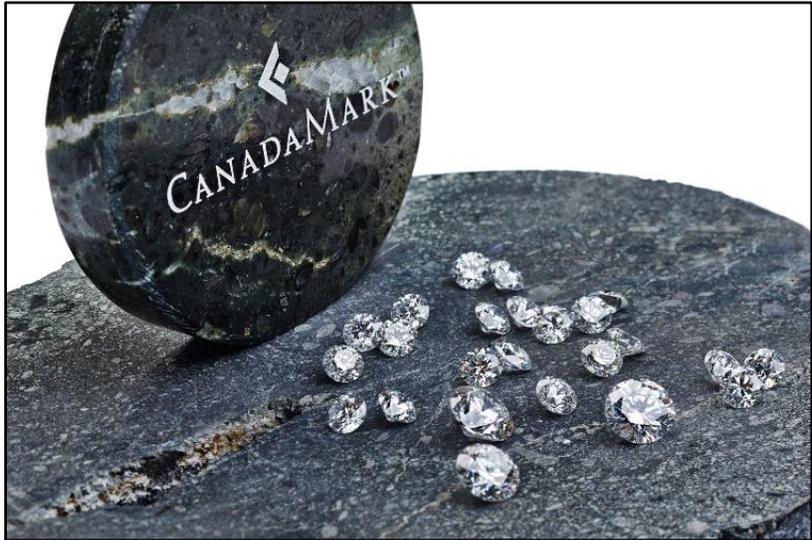


*Aerial view of the Ekati Diamond Mine.*

and the board unanimously agrees that this offer represents the best option available to Dominion shareholders, and recommends that shareholders vote in favour of this transaction.”

Added Gowans, “Dominion also believes this transaction is an excellent outcome for the company’s stakeholders, including employees, community members and the Northwest Territories. The transaction allows the operation to take the next steps in mine development and ensures mining and its associated benefits continue in the North for decades to come.”

“The Washington Companies’ commitments to safety, operational excellence, innovation and world-class management teams position us favourably for long-term success at the Ekati and Diavik mines for the benefit of all Dominion Diamond stakeholders,” added Dennis Washington, Founder of The Washington Companies.



“I look forward to the next chapter of continuing to build and support successful, safe business operations in the Northwest Territories.”

### ***Benefits to Canada***

Washington will be a responsible, long-term operator and builder of Dominion’s world-class assets, and plans to extend the mine life of Ekati for decades, consistent with the current development plan. As part of this acquisition, Washington plans to:

- Operate Dominion as a standalone business as Washington does with its other successful operating companies
- Appoint a new CEO based in Canada to the Dominion management team
- Keep Dominion’s headquarters in Canada and maintain a significantly Canadian management team
- Deploy capital to develop both the Jay and Fox Deep projects
- Make new investments in a reinvigorated greenfield exploration program
- Maintain a high level of environmental stewardship through all phases of its operations
- Provide ongoing and long-term employment for skilled, high-paying jobs at Dominion
- Maintain focus on the recruitment, training and employment of Indigenous people
- Honour the existing commitments to the Indigenous communities to ensure their interests are protected
- Continue with scholarship programs and heritage funds to assist with social, recreational, and community development program

- Provide ongoing support for local suppliers and contractors, including Indigenous businesses
- Continue to promote Dominion’s CanadaMark brand for its ethically sourced and premium Canadian diamonds

Click here to view the [full release](#).

### ***NWT Premier’s statement on Washington Companies acquisition of Dominion***

Soon after it was announced Washington Companies would acquire Dominion Diamond, Government of the Northwest Territories Premier Bob McLeod issued a statement. In the statement, he said:

“Responsible resource development is key to the social and economic future of the NWT. The Government of the Northwest Territories believes that it must be done with a strong view to environmental sustainability and northerners must share in the prosperity it brings.”

“I’m encouraged by the public commitments made by Washington to important matters such as ongoing investment in exploration and jobs and benefits for northerners, particularly Indigenous communities and governments.”

“Mining currently contributes 20 per cent of our direct GDP and provides jobs to over one out of every 10 people working in our territory. Since 1996, the diamond mines have spent \$19 billion on Northwest Territories businesses, including \$5 billion on Aboriginal owned businesses. We expect that the Washington Companies will be a significant contributor to these outcomes going forward. Minister Wally Schumann and I look forward to meeting with senior officials from the company in the near future to discuss advancing our mutual interests.”

### **Dominion Diamond Announces Final Approval of Jay Project Water Licence**

Dominion Diamond Corporation announce that the Minister of Environment and Natural Resources, Government of the Northwest Territories, the Honourable Robert C. McLeod, has approved the type A water licence for the Ekati Diamond Mine, including the Jay project. The minister’s letter of approval and the amended water licence, which is currently in effect, can be accessed on the Wek’èzhìi Land and Water Board (WLWB) online registry here:

[Minister’s letter of approval](#)

[Ekati Water Licence  
\(amended for Jay  
Development\)](#)



“Receipt of the amended water licence is a significant milestone for the Jay project,” said Jim Gowans, Chairman of the Board of Directors of Dominion. “We would like to thank the WLWB and the minister for their work to complete this final major step in the permitting process at Jay. This project is an important part of our overall growth strategy which will deliver value over the long-term.”

The Jay project is in the 100%-owned Buffer Zone at the Ekati Diamond Mine. Jay is a large high-grade kimberlite, and was approved for construction by the company in July 2016. Click here to [view the full release](#).

## **Sabina Receives Positive Recommendation from NIRB for Back River Gold Project**

Sabina Gold & Silver Corp announced that it has received a copy of the Second Final Hearing Report from the Nunavut Impact Review Board (NIRB). In the report, the NIRB has recommended to the Minister of Indigenous and Northern Affairs Canada (INAC) that development of the company’s 100%-owned Back River Gold in Nunavut, Canada, should proceed to the licensing phase.

This positive recommendation by NIRB concludes a five-year comprehensive NIRB review and public hearing processes involving Inuit, the Kitikmeot Inuit Association (KIA), Federal and Territorial governments, and community and other Northern representatives. This recommendation follows a direction of the Minister to the NIRB in January 2017 to reconsider the project after an initial negative recommendation from the NIRB in



July 2016. In February this year, a Final Environmental Impact Statement Addendum was submitted to the NIRB focusing on the areas that were identified as outstanding concerns in the First Final Hearing Report. The review of this addendum by all parties culminated in a second final technical and public hearing that took place in Cambridge Bay (May 27 to June 3, 2017).

“After a multi-year environmental assessment, we are extremely pleased with the NIRB giving Back River the green light to move ahead to the licensing phase,” stated Bruce McLeod, President and CEO. “NIRB’s recommendation is a 400-page document that also includes recommended terms and conditions for the project which we are currently reviewing. We are moving ever closer to our goal of becoming a mid-tier gold producer in one of the world’s best mining jurisdictions. We would like to thank the community participants from the Kitikmeot region, the KIA, and the numerous regulatory agencies for their ongoing contribution to the review and their support to advance the Project. In particular, we would like to thank the NIRB for a very well run, rigorous yet collaborative process that enabled valuable discussion and idea

sharing between all parties. Back River is aiming to be one of the next gold mines in Nunavut providing much desired jobs, training, infrastructure and opportunities to the Inuit of the Kitikmeot Region.”

***Next steps***

The positive NIRB recommendation and associated report is now before the minister of INAC in accordance with Article 12 of the Nunavut Agreement. The minister’s responsibility now is to accept or reject the NIRB’s recommendation. Should the minister accept the NIRB’s recommendation, a project certificate could be issued in Q4, 2017.

With the positive recommendation in hand, Sabina will commence the submission of applications for the various authorizations required for full-scale construction and operation. Sabina intends to submit type A and type B water license applications to the Nunavut Water Board within the next 60 days.

Sabina Gold & Silver Corp. is a well-financed, emerging precious metals company with district scale, world class undeveloped assets in one of the world’s newest, politically stable mining jurisdictions: Nunavut, Canada.

In September 2015, Sabina 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 capital expenditure of \$415 million.

The project is advancing through the environmental assessment process with final public hearings with the Nunavut Impact Review Board completed during May 31 – June 3, 2017 in Cambridge Bay.

In addition to Back River, Sabina also owns a significant silver royalty on Glencore’s Hackett River Project. The silver royalty on Hackett River’s silver production is comprised of 22.5% of the first 190 million ounces produced and 12.5% of all the silver produced thereafter.

The company had cash and equivalents of C\$43m at March 31, 2017.

[View release](#)

**Minister’s Decision on Back River Project Proving to be a Good One**

The NWT & Nunavut Chamber of Mines (Chamber) is pleased to see the recent announcement by the Nunavut Impact Review Board (NIRB) recommending that Sabina Gold and Silver Corp.’s Back River Project proceed to the licensing phase.

Industry, investors and Chamber members have been carefully watching the regulatory developments on this project since the NIRB’s unexpected negative recommendation in June 2016.

We are pleased to now hear that the NIRB and Sabina Gold and Silver have successfully revisited the earlier decision, and efforts on both sides have now culminated with NIRB recommending that the project should proceed to the licensing phase.

The Chamber compliments the Minister of Indigenous & Northern Affairs Canada (INAC) for her decision earlier this year to send the project back to NIRB for reconsideration. “We now have a very good result for industry and for Nunavut stakeholders, including Inuit organizations and regulators, who have shown significant support for this project. This recent positive NIRB recommendation will add significantly to the optimistic investment climate within Nunavut,” said Gary Vivian, President of the Chamber. “However, there is still more work required to continue to build on that optimistic investment climate in Nunavut, particularly with the Draft Nunavut Land Use Plan advancement.”

[View release](#)

### **Kivalliq Energy Revives Significant Baffin Gold Project**

A significant gold project in central Baffin Island is being revived by Kivalliq Energy after lying dormant for several years.

On May 8, Kivalliq announced the acquisition of a dominant land position in one of the largest undeveloped greenstone-iron formation gold belts in Nunavut. This land package, totalling 408,981.6 hectares and covering 160 kilometres of the Foxe Fold Belt on central Baffin Island, comprises a Mineral Exploration Agreement (MEA) with Nunavut Tunngavik Inc. (NTI); the acquisition of 15 prospecting permits; and a transaction with Commander Resources Ltd. The property is comprised of consolidated mineral tenure located approximately 230 kilometres southwest of the community of Clyde River on Baffin Island, in the Qikiqtani region of Nunavut. This property comprises fifteen prospecting permits, six crown mineral claims and three Inuit-owned land parcels subject to MEA’s with NTI.

The Baffin Gold Property is a district-scale land package covering an entire Proterozoic gold belt having geological and structural similarities to multi-million-ounce gold mines in the North (i.e. Meadowbank, Lupin) as well as the prolific Homestake Mine in South Dakota. Previous exploration has identified numerous prospects along 140 kilometres of strike length, with high-grade gold occurring in multiple settings: silicate and sulphide iron formation; shear zones and quartz veins hosted in granodiorite, metavolcanics and metasediments.

#### ***Baffin Gold Acquisition Highlights:***

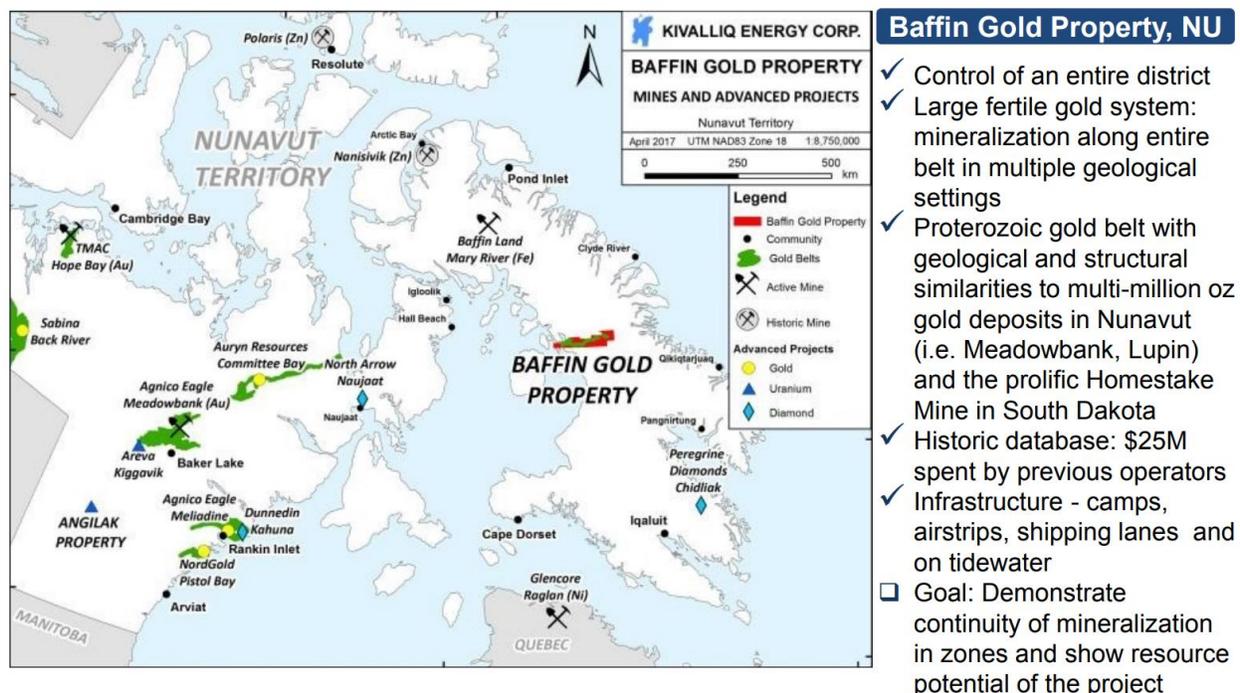
- Large land position with exclusive control of one of the largest undeveloped greenstone belts in Canada
- Covers a strongly mineralized gold system hosting known high-grade gold occurrences in multiple geological settings: iron formation, shear zones, quartz veins, metasediments and metavolcanics
- Over \$25 million of exploration data and extensive geoscience databases from BHP-Billiton, Falconbridge, Commander Resources and AngloGold Ashanti exploration programs performed between 2001 and 2011 (\*based on publicly disclosed reports)
- An existing camp, tidewater access and two 1,200 m DEW Line airstrips will help to accelerate future work programs and potential development
- Only 158 drill holes to date (<150 m depth) along entire belt, focused mostly on four prospects

- 61% of historic drill holes returned weighted assay intervals of > 1.0 g/t Au over 1.0 metre
- Best three drill intercepts to date:
  - 21.3 g/t Au over 4.2 m
  - 10.2 g/t Au over 4.5 m
  - 9.2 g/t Au over 6.0 m
- 22.3% of historic surface rock samples taken were > 0.5 g/t Au, including 1388 g/t Au
- Best three channel samples to date:
  - 373.9 g/t Au over 0.49 m
  - 241.3 g/t Au over 0.25 m
  - 173.0 g/t Au over 0.46 m
- Low acquisition costs (prospecting permits and IOL agreements)

“With the acquisition of the Baffin Gold project in Nunavut Territory, we have strengthened our relationship with NTI and we now hold an entire district with proven gold potential,” stated Kivalliq Energy CEO Jim Paterson. “Our team will benefit greatly from the significant exploration expenditures from previous operators, which generated extremely high-grade gold numbers at exploration targets that also exhibited potential for significant size and scale. We feel the combination of the Baffin Gold project’s key attributes, including: low entry cost; high potential for discovery and expansion of known gold zones; in a mining friendly jurisdiction, make this a highly valuable acquisition for the shareholders of Kivalliq. Our group has multi-decades of experience running successful northern projects and the Baffin Gold Property is a great addition to the Kivalliq portfolio.”

Kivalliq [announced](#) on July 25 the start of this year’s exploration program, with spending of \$775,000 planned that will include prospecting, till sampling, and drone surveys.

Learn more by viewing Kivalliq’s recent presentation [here](#).



## **Agnico Eagle Reports Second Quarter 2017 Results**

***Strong operational performance continues; full year production guidance increased; Nunavut projects advancing on schedule and budget; positive exploration results at multiple projects***

Agnico Eagle Mines Limited reported quarterly net income of \$61.9 million, or \$0.27 per share, for the second quarter of 2017.

This result includes non-cash foreign currency translation gains on deferred tax liabilities of \$12.1 million (\$0.05 per share), various mark-to-market and other adjustment losses of \$10.3 million (\$0.04 per share), unrealized gains on financial instruments of \$7.9 million (\$0.03 per share) and non-cash foreign currency translation losses of \$2.7 million (\$0.01 per share).

Excluding these items would result in adjusted net income<sup>1</sup> of \$54.9 million or \$0.24 per share for the second quarter of 2017. In the second quarter of 2016, the company reported net income of \$19.0 million or \$0.09 per share.

Not included in the second quarter of 2017 adjusted net income above is non-cash stock option expense of \$3.8 million (\$0.02 per share).

For the first six months of 2017, the company reported net income of \$137.8 million, or \$0.60 per share. This compares with the first six months of 2016 when net income was \$46.8 million, or \$0.21 per share. Financial results in the 2017 period were positively affected by higher gold sales volumes and realized prices (approximately 6% and 1% higher, respectively) and lower depreciation expense.

In the second quarter of 2017, cash provided by operating activities decreased to \$184.0 million (\$197.2 million before changes in non-cash components of working capital) compared with cash provided by operating activities of \$229.5 million in the second quarter of 2016 (\$192.7 million before changes in non-cash components of working capital). The cash provided by operating activities before changes in working capital during the current period were essentially the same.

For the first six months of 2017, cash provided by operating activities was \$406.6 million (\$421.2 million before changes in non-cash components of working capital), as compared with



*Agnico Eagle's Meliadine mine.*

the first six months of 2016 when cash provided by operating activities was \$375.2 million (\$360.2 million before changes in non-cash components of working capital). The increase in cash provided by operating activities before changes in working capital during the first six months of 2017 was mainly due to a combination of higher gold and by-product metals production and higher realized gold prices.

"As a result of continued strong production and cost performance at all of our mines, we have increased our gold production guidance to 1.62 million ounces from 1.57 million ounces and reduced our total cash cost guidance from \$610 per ounce to \$595 per ounce", said Sean Boyd, Agnico Eagle's Chief Executive Officer. "In addition to strong operating and financial results, we continue to make very good progress on the exploration and development front. Our Nunavut projects are advancing on schedule and budget, and we are also generating positive exploration results at many of our mine sites, which should support future growth initiatives", added Mr. Boyd.

To view the release, including highlights, click [here](#).

### Invest NWT Booklet en route to Embassies

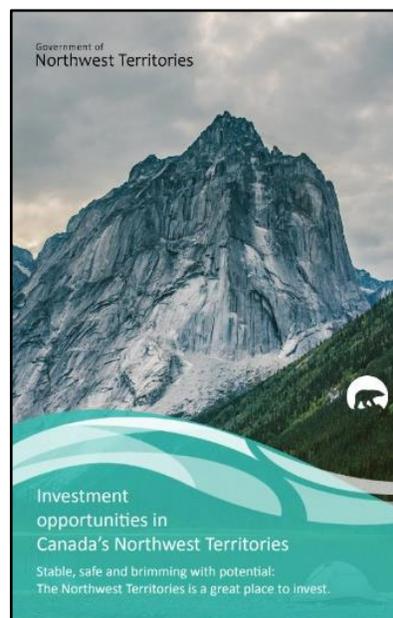
A sleek new booklet, *Investment Opportunities in Canada's Northwest Territories* is fresh off the printers and on its way to embassies around the world.

The Industry, Tourism and Investment (ITI) promotional booklet comes in response to the mandate commitment to attract foreign direct investments, and cross-promote minerals, furs, fish, forest products, and tourism to investors and markets.

The intent of the bilingual booklet is to promote a variety of industries on the international stage to grow investment, residency and economic opportunities in the Northwest Territories (NWT). The booklet includes an introduction to the NWT and information on mining, oil and gas, tourism, film, agriculture, fishery, manufacturing, art, traditional economy, and the Business Stream of the NWT Nominee Program.

Global Affairs Canada is helping to get the material into the right hands through distribution to priority Canadian Embassies and key Trade Commissioners, as well sharing the document through their online and social media channels.

- [Investment Opportunities in Canada's Northwest Territories](#)
- [Possibilités d'investissement aux Territoires du Nord-Ouest du Canada](#)



## TMAC Provides Hope Bay Update, Reports 2017 Reserves/Resources Estimate

On July 14, TMAC Resources Inc., provided an operations update together with its updated mineral reserves and mineral resources as of June 30, 2017.

### **Operations Update**

“The ramp up continues to be slower than anticipated and has resulted in less than budgeted cash inflows. We anticipate that recoveries will improve as we continue to optimize the plant’s performance. As recoveries increase, we will increase the tonnes of ore being processed, increase the tonnes of ore being mined and hauled to surface and increase the grade of ore being processed, all resulting in greater revenues and cash inflows,” said Dr. Catharine Farrow, TMAC Chief Executive Officer.

“Our entire site-based team’s focus, assisted by our metallurgical consultants and Gekko, the manufacturer of the processing plant, and other vendor and consultant teams, is to improve plant availabilities and ramp up to planned rates through an optimization process. We acknowledge their dedication to ensure that the process continues in a safe and systematic manner,” she added.

The tonnes of ore being fed from the ore stockpiles into the processing plant continue to be lower than planned due to the processing plant’s ramp up proceeding slower than expected. While the underground development at Doris North and Doris North BTD continues as planned, the daily mining rate at Doris North remains less than planned due to the reduced number of tonnes being fed into the processing plant and the large stockpile of ore remaining on surface. To June 30, 2017, 79,600 tonnes of ore have been processed and 15,880 ounces of gold have been sold. As at June 30, 2017, the surface stockpile comprises 105,000 tonnes at 15.2 grams per tonne containing 51,000 ounces. In addition, there are multiple stopes underground that have been drilled and are awaiting blasting and mucking, the tonnes from which can be brought to surface relatively quickly to replenish the stockpile.

The processing plant can and has operated at or above design capacity of

1,000 per day, but its average daily throughput continues to be lower because of variable and sometimes low plant availabilities. As part of the normal ongoing ramp up process that all



*In 2017, TMAC plans to fabricate, ship, install and commission a second Python (a modular ore-processing system). Pictured are process plant components, including the first Python, on route in 2016.*

processing plants go through, modifications have been made and will continue to be made. The focus to date on the pre-concentrator installed in the upstream half of the processing plant (the Python, a modular ore-processing plant) has been on the jig and gravity circuits. By the end of June, the plant was producing a concentrate for treatment at the concentrate treatment plant (CTP) that averaged 80 % of the contained gold in the ore feed. Further optimization of the Python is ongoing to increase its recovery rate and the concentrate grade being sent to the CTP.

The CTP, in the downstream half of the processing plant, continues to have lower than expected throughput availabilities and recoveries due to a variety of challenges including design issues and mechanical failure. The CTP recoveries of the gold in the concentrate from the Python remain below expectations. Although the recoveries have also reached 80%, they have not done so on a sustainable basis. For the month of June, overall gold recoveries for the processing plant were 67%. Ramp up and optimization of the CTP is ongoing with the target of bringing the overall gold recoveries for the processing plant up to those estimated by the Preliminary Feasibility Study issued in 2015.

Third party metallurgical consultants advise the company that the expected throughputs and recoveries can be achieved with continued optimization and improvements in both the Python and CTP.

The inconsistent availability and recoveries of the CTP have negatively affected the tonnes of ore being fed to the processing plant as well as the number of tonnes of ore mined daily and put on the ore stockpile. In addition, the grade of the ore sent to the processing plant has deliberately been kept lower than planned resulting in the amount of gold produced and sold being significantly lower than planned which, in turn, results in lower revenues and higher costs. An increase in CTP recoveries is a prerequisite for the company to start processing ore from its high-grade stockpiles and achieving previously stated guidance. TMAC will update its guidance at the time of releasing its second quarter results.

#### ***Mineral reserves and mineral resources highlights***

- Total proven and probable mineral reserves at Hope Bay have increased by 100,000 contained gold ounces to 14,529,000 tonnes at 7.7 g/t Au for 3,607,000 contained gold ounces.
- Madrid North proven and probable reserves have increased by 126,000 contained gold ounces to 8,350,000 tonnes at 6.7 g/t Au for 1,802,000 contained gold ounces.
- Inferred mineral resources at Doris East Limb and Extension BTD (formerly known as Doris North Deep) are 200,000 tonnes at 14.7 g/t Au for 94,000 contained ounces.
- First probable reserves at Doris East Limb BTD are 72,000 tonnes at 14.5 g/t Au for 34,000 contained ounces.

“We are pleased to provide an update to TMAC’s Hope Bay mineral reserve and mineral resource statement. As of June 30, 2017, proven and probable mineral reserves have increased by 100,000 ounces of gold, which more than replaces the ore mined over the past year and a half at Doris. The results of diamond drilling at Doris and Madrid North, and the more than a year and a half of mining at Doris, have significantly improved our understanding of the structural controls on gold mineralization and have thereby refined our geological models. The

new ramp development below the dyke at Doris North has allowed us to carry out detailed drilling to further test areas of new Mineral Resources and Reserves reported here. We are optimistic that current 2017 diamond drilling programs at both Doris and Boston will have positive impacts and will continue to add to the mineral reserve and mineral resource base, thereby replacing mined reserves,” said Farrow.

Click [here](#) to view more detailed release and tables of Hope Bay proven and probable reserves at June 30, 2017.

### **GNWT Wants to Hear from Residents on ‘Made-in-the-NWT’ Carbon Price**

The Government of the Northwest Territories (GNWT) is seeking public input on how best to develop an NWT carbon pricing plan that provides incentives for residents, business and industry to reduce greenhouse gas emissions, while limiting the effects on cost of living and economic development.

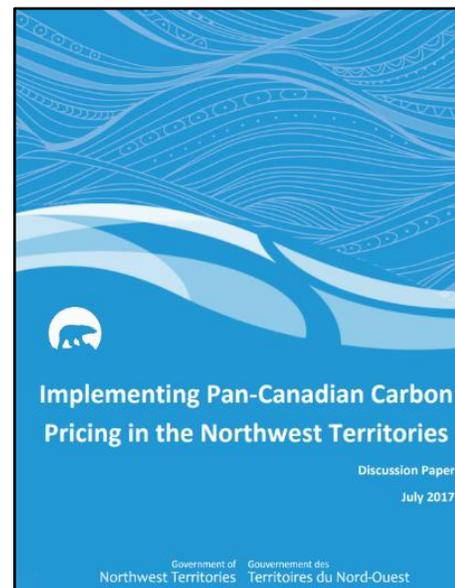
This request for input comes because of the GNWT’s commitment as a signatory to the Pan-Canadian Framework on Clean Energy and Climate Change to participate in national carbon pricing.

Along with engaging with NWT residents, Finance Minister Robert C. McLeod has also released the Implementing the Pan-Canadian Carbon Pricing in the Northwest Territories Discussion Paper. This paper presents the possible approaches for the GNWT to meet its carbon pricing commitment and generate discussion on the policy tools for introducing carbon tax across the north.

Guided by the information in the Discussion Paper, an online survey has been created where residents can provide input and make comments. The questions are designed to help the GNWT identify residents’ priorities, as well as their suggestions for how carbon pricing revenues can be used in the Northwest Territories. The public is also invited to submit additional feedback and opinions to [carbon\\_pricing@gov.nt.ca](mailto:carbon_pricing@gov.nt.ca).

Together, this paper and the engagement will build on the input received from the public during the consultation on the Energy Plan and Climate Change Strategic Framework and will be used to help inform the debate about implementing the Pan-Canadian carbon price in the Northwest Territories

“We are committed to doing our part to reduce greenhouse gas emissions and have agreed to the federal proposal for a national carbon price. Our challenge is to make the carbon pricing in the Northwest Territories work in a way that minimizes the effect on the cost of living and does not create barriers to developing our economy,” said Robert C. McLeod, GNWT Minister of Finance.



Over the coming months, we will seek input from residents, business and industry to identify ways to ease the effect that carbon pricing will have on residents and offset increased operational costs for business and industry. As we work together to develop a ‘made-in-the-NWT’ solution for carbon pricing, we will also work with the federal government to look for solutions that address our circumstances, including high costs of living and of energy, challenges with food security, and emerging economies,” he added.

### **Quick facts:**

- The Northwest Territories produces about 1,440 kilotonnes of greenhouse gas emissions each year. Most of these emissions are from transportation (59 per cent) and industry (19 per cent) and heating buildings (13 per cent).
- Premier McLeod signed the Pan-Canadian Framework on Clean Growth and Climate Change on December 9, 2016.
- The Prime Minister of Canada has committed to working collaboratively to find solutions that address unique Northern circumstances, including high costs of living, challenges with food security, and emerging economies, and that carbon pricing should not result in a net loss in Territorial Formula Financing to the territory.
- Addressing climate change is an important part of the Mandate of the 18th Legislative Assembly. Specific commitments include the development of a territorial climate change strategy, as well as working with community governments to address climate change.

[View release](#)

### **Related links:**

- [Implementing Pan-Canadian Carbon Pricing in the NWT Discussion Paper](#)
- [NWT Climate Change Strategic Framework Backgrounder](#)
- [NWT Energy Strategy Engagement](#)
- <http://www.fin.gov.nt.ca/carbon-pricing>

### **Federal links:**

- [Pan-Canadian Framework on Clean Energy and Climate Change](#)
- [Federal Carbon Pricing Backstop](#)

## **Strategic Planning Document to Guide NWT Geological Survey Released**

The Northwest Territories Geological Survey (NTGS) has released the strategic plan that will guide its operations through 2022. Building on a vision first set out in 2011, the five-year plan includes changes to reflect the Government of the Northwest Territories’ post-Devolution jurisdiction over NWT lands and resources.

The new plan defines the NTGS mission, vision, and values and presents its scientific program under six goals that align with the mandate priorities of the 18th Legislative Assembly.

As this five-year plan comes into effect, the availability of modern, comprehensive geoscience information will be particularly important in stimulating new mineral and energy exploration, and in understanding and addressing the effects of climate change.

The NTGS is a division of the Department of Industry, Tourism and Investment. It provides geoscience knowledge to inform decisions by governments, industry, and the public concerning the responsible development of mineral and energy resources, use of the land, and environmental stewardship.

“The NWT Geological Survey has long provided the geoscience data behind the responsible development of our mineral and energy resources. In recent years, it has experienced a growing demand for science-based information to address issues of land management, infrastructure development, environmental stewardship, and climate change adaptations. This plan will position the Geological Survey to meet these expanded needs; support the sustainable, responsible development of our resources and position our territory for economic growth,” Wally Schumann, ITI Minister.

### **Quick Facts**

- The NTGS works closely with various partner organizations. Notable amongst these is the federal government’s Canadian Northern Economic Development Agency (CanNor) through their Northwest Territories office in Yellowknife.
- The CanNor-funded Slave Province Surficial Materials and Permafrost Study (2014-2016) not only produced a wealth of knowledge to stimulate diamond exploration, it characterized permafrost conditions that may inform future resource and infrastructure development.
- NTGS scientists help facilitate the annual Tundra Science and Culture Camp, a multidisciplinary education program for high school students held at Daring Lake, 300 km from Yellowknife.
- In its first two years, the NTGS-run Mining Incentive Program awarded grants totalling more than \$750,000 to eight prospector and 11 small company projects, resulting in more than \$4 million in private-sector exploration spending.
- Research by the NTGS and its partners is showcased in November at the annual Yellowknife Geoscience Forum.

[View release](#)

### **Peregrine Diamonds Announces \$10.3 Million Rights Offering**

Peregrine Diamonds Ltd. announced it will be offering rights to holders of its common shares of record at the close of business on July 17, 2017. Proceeds of the offering, which expires August 15, 2017, will be used to complete the remainder of the 2017 Chidliak diamond resource expansion program and for general corporate purposes and working capital.

The 2017 Chidliak work program is focusing on:

- Expansion of the current Inferred Resource at CH-6 – through approximately 7,500 metres of diamond core drilling to further demonstrate geological continuity, establish pipe margin pierce-points and obtain spatially representative kimberlite samples for caustic fusion diamond analysis. The main objective is to increase the depth of a categorized resource from 260 metres to 500 metres. Caustic fusion diamond results

will be used to model diamond grade and grade distribution of the kimberlite to a depth of 500 metres.

- Refine open-pit geotechnical design parameters – as part of the 2017 drilling program approximately 1,000 metres of oriented HQ-diameter core and other geotechnical data required to refine the open-pit parameters, particularly the pit slope angles, will be acquired. This data will enable assumptions regarding open-pit design to be tested and further refined.
- Advancing permitting – through continued environmental monitoring programs of the Chidliak project area and the proposed transportation corridor.

The offering will be made in all provinces of Canada and in such other jurisdictions where the company is eligible to make such offering. All of Peregrine’s executive officers and directors intend to fully participate in the offering. Shareholders of record on July 17, 2017 will receive one right for each common share held. Three and three-tenths (3.3) rights will entitle the holder to purchase one common share of the company at a price of \$0.10 per common share. Exercise of the rights and purchase of the common shares must be completed by 2:00 p.m. (Vancouver time) on the expiry date. Shareholders who fully exercise their rights are entitled to subscribe pro rata for additional common shares, if available, that were not subscribed for initially on or before the expiry date. A fully subscribed offering will raise gross proceeds of \$10.3 million, of which \$10 million is backstopped by way of a standby purchase agreement.

[View release](#)

### **Mountain Province Diamonds Production Report for Second Quarter**

Mountain Province Diamonds Inc. announced production results for the second quarter ended June 30, 2017 from the Gahcho Kué Diamond Mine. The second quarter of 2017 represented the first full quarter of commercial production for Gahcho Kué, as commercial production was declared on March 1, 2017.



*Heavy equipment in the Gahcho Kué Diamond Mine open pit.*

Mining of overburden, waste rock and ore in the 5034 open pit for the second quarter was approximately 8.4 million tonnes, with approximately 396,000 tonnes of ore (100% basis) stockpiled at period end.

In the second quarter of 2017, the Gahcho Kué treated approximately 767,000 tonnes of ore through the process plant and recovered approximately 1,614,000 carats on a 100% basis for an average grade of approximately 2.10 carats per tonne. The company's attributable share of second quarter diamond production was approximately 791,000 carats.

In this first full calendar quarter of operations since the declaration of commercial production, the Gahcho Kué Diamond Mine diamond processing plant averaged 8,618 tonnes of kimberlite processed per day, and 8,977 tonnes per day over the most recent two months of May and June, notably above nameplate capacity of 8,226 tonnes per day.

Said David Whittle, the company's Interim President and Chief Executive Officer, "Given the strong plant performance and our favourable grade experience to date, we remain confident we will meet or exceed our full-year 2017 production guidance."

### ***Board change***

The company advises that Patrick Evans has now resigned as a Director of Mountain Province, following his departure in early June as Chief Executive Officer. Said Jonathan Comerford, Chair of the Board of Directors of the company, "Patrick's assistance through our CEO transition has been greatly appreciated, and after his 11 years of service on the Board we wish him the best in his future endeavours."

Mountain Province Diamonds is a 49% participant with De Beers Canada in the Gahcho Kué Diamond Mine located in Canada's Northwest Territories.

Gahcho Kué is the world's largest new diamond mine and projected to produce an average of 4.5 million carats a year over a 12-year mine life.

The Gahcho Kué Diamond Mine consists of a cluster of four diamondiferous kimberlites, three of which are being developed and mined under the current mine plan.

[View release](#)

### **Dunedin Reports 8.17 Carats Diamonds Recovered from PST Kimberlite**

Ventures Inc. reported final diamond recovery results from the PST kimberlite. A total of 8.17 carats of commercial-sized diamonds (+0.85 mm) were recovered from 2.03 tonnes of PST, for a final aggregate sample grade of 4.02 carats per tonne.

Chris Taylor, Dunedin's CEO said, "PST represents a high-grade target with obvious capacity to host large and attractive diamonds. It is a clear target for further exploration and bulk sampling, and is one of several drill-confirmed diamond-bearing kimberlites within a 2 kilometre radius. Once again, Dunedin's samples have returned higher than historic commercial-sized diamond grades. At PST our final aggregate sample grade is 84% higher than what was historically reported." Historical and current samples were collected from the same sample site. Most of the PST diamonds recovered by Dunedin are clear and colourless variants of octahedra. No historical or current resource numbers are available for PST, however recent interpretive work

by Dunnedin suggests it has a potential strike length of up to 2.5 kilometres based on historical drilling and geophysical surveys.

In 2016, Dunnedin determined that the PST, Notch and other kimberlites have intruded a gold-mineralized metasediment belt that has yielded gold in drill core, and pristine, locally sourced gold grains in tills. Some of the highest gold-in-till values observed through Dunnedin's work come from the immediate vicinity of PST, with gold mineralization also noted in outcrop and boulders within 200 m of the kimberlite.

***About the PST kimberlite***

- Near vertical high-grade kimberlite dike that is exposed at surface
- Historical and current samples were taken at the same locations or within metres of each other
- Drilling is limited to 200 metres of strike and to a maximum depth of approximately 50 metres; remains open along strike and at depth
- Extends north under thin gravel cover, however diamondiferous kimberlite was drilled 1.2 km away directly along strike, coincident with magnetic and resistivity signatures that suggest potential continuity of up to 2.5 km
- Insufficient exposure and drilling to define width; more work is required
- One of several diamondiferous kimberlites discovered thus far within a two km radius, including Notch, Killiq and 07-KD-24. The latter is notable for having historically recovered 305 diamonds including 7 macrodiamonds (+0.85 mm) from a 2.2 kg (0.0022 tonne) drill core sample

The PST sample was treated through an autogenous mill-fusion circuit located at CF Mineral Research Ltd. of Kelowna, British Columbia, using a lower size cut-off of 0.425 mm. Unlike standard DMS recovery methods, the circuit can recover nearly all diamonds present in a kimberlite to the predetermined cut-off size, along with associated indicator minerals. Results and historical bulk sample results from PST are presented in tables with the announcement. [View release](#)



## Exploration & Development News Briefs

(See Chamber [website](#) for more information)

**Auryn Resources Inc.** announced the New York Stock Exchange has approved the listing of the company's common shares on the NYSE MKT stock exchange. Auryn expected that its common shares will begin trading on NYSE MKT on July 17, 2017 under the trading ticker symbol AUG. Auryn will remain listed on the Toronto Stock Exchange under the symbol AUG. [View release](#)

**Auryn Resources Inc.** announced it has initiated a 15,000-meter exploration drill program on the Homestake Ridge gold project located within the Golden Triangle in northwestern, British Columbia. Auryn now has two discovery drill programs running simultaneously. These programs further increase the potential for major discoveries in some of the most prolific high grade gold regions within Canada. The 12 week summer exploration program at Homestake is primarily focused on making new discoveries to considerably add to the high-grade resource that is currently defined on the project (table provided in release link below) (refer to the technical report dated June 7, 2013 filed on SEDAR at [www.sedar.com](http://www.sedar.com)). [View release](#)

**Avalon Advanced Materials Inc.** announces that the results from the spring 2017 diamond drilling program have both expanded the lithium resource and provided better definition of the lithium mineralogical zoning in the total resource at the company's Separation Rapids Lithium Project. Five holes totalling 1,470 metres were drilled on the east and west extensions of the resource, where previous drilling had identified a high proportion lepidolite-rich lithium mineralization. The results confirm that high-grade lepidolite mineralization comprises approximately 20% of the known lithium resource and is open for expansion, with the balance having predominantly petalite as the principal lithium mineral. [View release](#)

**Canadian Zinc Corporation** announced it resumed its diamond drilling exploration program at the company's wholly owned South Tally Pond zinc-lead-copper-silver-gold project in central Newfoundland. The South Tally Pond project is host to the Lemarchant massive sulphide deposit, a significant precious metal-rich copper-lead-zinc volcanogenic massive sulphide resource with expansion potential as well as numerous other drill-ready targets. The 2017 summer drill program will consist of up to

5,000 metres in 24 diamond drillholes and is designed to continue to test for mineralized extensions to the Lemarchant massive sulphide deposit. [Details here](#)

**Canterra Minerals Corporation** announces that it is amending the expiry date of 8,107,143 outstanding warrants from July 29, 2017 to July 29, 2018, subject to approval of the TSX Venture Exchange. The Warrants will remain exercisable into common shares at a price of \$0.10 per common share. [Details here](#)

**De Beers Group** has issued a call for the submission of research papers to be presented at the 8th Annual Oppenheimer De Beers Group Research Conference in Johannesburg, South Africa, in October. Academics, students, researchers, site managers and environmental managers that have carried out research on any E Oppenheimer & Son or De Beers Group sites are encouraged to submit their findings for presentation to more than 180 attendees. [View release](#)

**Dunedin Ventures Inc.** announced it has completed an over-subscribed non-brokered private placement of flow-through and non-flow through units for gross proceeds of \$4,546,250. In connection with closing of the placement, the company issued 1,325,000 FT Units at a price of \$0.32, and 16,489,000 NFT Units at a price of \$0.25. The company has also received gross proceeds of \$597,000 from receipt of 3,980,000 warrants originating from a private placement closed on August 29, 2016, bringing total gross proceeds of the current private placement and warrant funds receipt to \$5,143,250. The company intends to use the proceeds of the private placement to advance its ongoing exploration program on the Kahuna project and for general working capital purposes including completion of its previously announced spinout of rights associated with gold mineralization on that project. It is anticipated that a significant portion of the proceeds of the placement will be used to advance gold exploration work on the project. [View release](#)

**Dunedin Ventures Inc.** reported final diamond recovery results from the PST kimberlite. A total of 8.17 carats of commercial-sized diamonds (+0.85 mm) were recovered from 2.03 tonnes of PST, for a final aggregate sample grade of 4.02 carats per tonne. Most of the PST diamonds recovered by Dunedin are clear and colourless variants of

octahedra. No historical or current resource numbers are available for PST, however recent interpretive work by Dunnedin suggests it has a potential strike length of up to 2.5 kilometres based on historical drilling and geophysical surveys.

In 2016, Dunnedin determined that the PST, Notch and other kimberlites have intruded a gold-mineralized metasediment belt that has yielded gold in drill core, and pristine, locally sourced gold grains in tills. Some of the highest gold-in-till values observed through Dunnedin's work come from the immediate vicinity of PST, with gold mineralization also noted in outcrop and boulders within 200 m of the kimberlite. [View release](#)

**Kennady Diamonds Inc.** is pleased to announce that the summer exploration program on its Kennady North Project has commenced. The program will consist of at least 3,000 meters of diamond drilling in the Kelvin-Faraday area and ground geophysics over key target areas on leases acquired from GGL Resources Corp. (see News Release of August 18, 2016).

President and CEO of Kennady Diamonds, Dr. Rory Moore commented: "Following on our exceptional diamond results for the Faraday kimberlites, we are excited to continue with further exploration and delineation drilling of these bodies as they track northwards from beneath Faraday Lake to dry land." He further added; "The geophysics will expand coverage of target areas where geophysical work was initiated during our recent winter campaign. The results will be used to define drill targets for testing in our upcoming winter program."

Diamonds recovered from the Faraday kimberlites as part of the recently completed winter bulk sampling program are en route to Antwerp, Belgium for independent valuation by WWW International Diamond Consultants ('WWW'). The valuation will take place in July with results expected in early August. [View release](#)

**Nighthawk Gold Corp.** announced additional drill results from its wholly owned Colomac Gold Project located within its Indin Lake Gold Property, the Northwest Territories, Canada. Drilling focused on the continued expansion of high-grade Zone 1.5, testing its extension to depth and along strike to the north and south of previously reported intersections. All holes returned significant gold intercepts, highlighted by hole C17-08 intersection of 55.35 metres grading 3.00 grams per tonne ("gpt") gold ("Au"), including 19.50 metres of 5.58 gpt Au,

effectively extending Zone 1.5 an additional 25 metres north and 90 metres to depth. [View release](#)

**North Arrow Minerals Inc.** announced it has completed collection of a planned mini-bulk sample at the Q1-4 kimberlite as part of a \$3.2M summer exploration program at the company's 100% owned Naujaat (now-yat; formerly Qilalugaq) and Mel Diamond Projects in Nunavut. A total of 250 megabags of kimberlite with an approximate field weight of 234 (wet) tonnes, have been collected from a single sample pit at the Q1-4 kimberlite. The sample was collected using a mini-excavator with kimberlite exposed beneath 0.5 m to 1.0 m of glacial till. Initial evaluation of the exposed kimberlite identified a north trending internal contact between distinct kimberlite phases. Kimberlite to the west of the contact (field term "Green Kimberlite") made up approximately 30% of the pit area and is described as a dark green, massive, very xenolith poor, very olivine rich, phlogopite coherent kimberlite with fine to very coarse macrocrysts (pre-dominantly olivine) and a good mantle sample. The remainder of the pit is comprised of a blue, massive, poorly sorted, xenolith poor, olivine rich volcanoclastic kimberlite with fine to very coarse olivine and a moderate mantle sample (field term "Blue Kimberlite"). As a result of the presence of two distinct kimberlite units, the sample was divided into three subsamples: Blue Kimberlite (60 bags), Green Kimberlite (31 bags) and Mixed Blue-Green Kimberlite (159 bags). Final data collection, mapping and reclamation of the sample pit is currently underway and all of the sample bags have been transported to the company's laydown 7 km to the south at the Hamlet of Naujaat. The sample will be shipped south on Naujaat's annual sea-lift scheduled for arrival at the community on August 26th, and will be processed during the fall of 2017. The sample will be processed for the recovery of commercial sized (+0.85 mm) diamonds and the resultant diamond parcel will be used to provide a better understanding and indication of the diamond content, size distribution, and fancy colour diamond population within the sampled units. Results of the sample, and the ongoing delineation drill program, will be used to plan collection of a larger bulk sample in 2018. [View release](#)

**Peregrine Diamonds Ltd.** announced the completion of hole CHI-050-17-DD33 (DD33), a 433-metre long drill hole at its 100%-owned Chidliak Diamond Project (Chidliak) near Iqaluit, Nunavut, Canada. Hole DD33 contains a 152-metre long continuous

intercept of typical CH-6 kimberlite, significantly more than the 100-metre intercept predicted by the current CH-6 resource model. The drill result expands the western margin of the CH-6 pipe by approximately 35 metres at a depth of 200 metres below surface (mbs) and confirms the eastern pipe contact as near-vertical to 330 mbs, as predicted by the current CH-6 resource model. DD33 continued in country rock and encountered a 0.32-metre open-ended intersection of olivine-macrocrystic kimberlite at 361 mbs where the hole was lost. Another drill hole is planned to test this kimberlite at depth from the eastern side of CH-6. [View release](#)

**Silver Range Resources Ltd.** provided results from a geological and geophysical program conducted at the Strongbox Property in Esmeralda County, Nevada. Property highlights include: widespread surface gold mineralization grading up to 27.1 g/t gold; and, geophysical surveys that define large target areas below and along strike of known high-grade mineralization. The Strongbox Property covers a system of gold veins that straddle Tule Canyon, located 55 kilometres by road south of the town of Goldfield. Despite being the target of several placer and small-scale hard rock mining operations since the mid-1800s, Strongbox has seen little modern exploration, and Silver Range has found no evidence of drilling. [View release](#)

**Sabina Gold & Silver Corp** announced an expanded second phase program of drilling will commence at the Goose camp on its 100%-owned Back River gold project in Nunavut, Canada. Camp will open on July 27th, 2017. Approximately 7,000 metres of drilling was planned for 2017 in two drill programs, with the first 3,000 metres completed this spring, and the balance planned for a summer drill campaign. Following successful drilling of priority targets, selected for their potential to enhance project economics at both Llama and Umwelt, additional metres have been added to the summer program for a total of 13,000 metres for 2017. [View release](#)

**Silver Range Resources Ltd.** provided an update on exploration projects underway on its properties in Nunavut. Silver Range's South Kitikmeot Gold Project (SKGP) is located between Sabina Gold & Silver's Back River Project and the Lupin Mine. It includes seven properties with a total area of 60,030 hectares covering iron-formation-hosted gold mineralization in the metasedimentary rocks which host the Goose, Umwelt, Llama and George Lake gold deposits and the Lupin Mine. Summer exploration at the SKGP will be conducted on the Qannituq and Bling Properties. Silver Range's Hard Cash Property is located on Ennadai Lake in southwestern Nunavut at the western end of the Ennadai-Rankin Greenstone Belt, host to Agnico Eagle's Meliadine deposit. Work by Silver Range in 2016 defined a 1400 m zone of high grade gold mineralization in float and bedrock defined by numerous samples in excess of 10 g/t Au. Silver Range's Yandle Property is located east of Henik Lake, approximately 155 km west of the hamlet of Arviat. The principal target on the property is a zone of widespread gold mineralization in float, 4.5 kilometres long and up to 100 metres wide enclosed in an extensive alteration zone. [View release](#)

**TMAC Resources Inc.** has entered into a term sheet with Sprott Private Resource Lending (Collector), LP to provide for total borrowings of US\$160 million. The approximately US\$30 million of additional funds allow TMAC to finance the significant, seasonal expenses incurred during the summer sealift period and the revisions to the term and repayment schedule of the existing senior secured term loan facility credit agreement entered into in July 2015 (see news release July 23, 2015) accommodates the company's plans to develop the Madrid and Boston deposits over the next five years. [View release](#) TMAC would subsequently sign a revised credit facility. [View release](#)

## New GNWT Website Tracks Mandate Commitments

The Government of the NWT has developed a new website to allow the public to track government commitments under the five priorities of its mandate which was developed by all members of the 18th Legislative Assembly, and tabled in the Assembly on March 3, 2016. Click [here](#) then click on any of the five priorities to discover the status of the commitments.



## 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.

- 27 July 2017, [Darnley Bay signs option to purchase half of Pine Point royalty](#)
- 27 July 2017, [Stornoway announces second quarter release date](#)
- 27 July 2017, [Cameco reports second quarter results](#)
- 26 July 2017, [TMAC Resources signs revised credit facility](#)
- 26 July 2017, [Agnico Eagle reports second quarter 2017 results](#)
- 26 July 2017, [Peregrine establishes westward expansion of CH-6 kimberlite with first drillhole](#)
- 25 July 2017, [Kivalliq starts exploration at Baffin Gold Property, Nunavut](#)
- 25 July 2017, [Dunnedin reports 8.17 carats commercial-sized diamonds from PST kimberlite](#)
- 24 July 2017, [North Arrow collects mini-bulk sample from Q1-4 Kimberlite, Naujaat Project, NU](#)
- 21 July 2017, [Dunnedin raises \\$5.1 million](#)
- 20 July 2017, [Sabina reports expanded second phase drilling campaign at Back River](#)
- 20 July 2017, [Mountain Province Diamonds production report for the second quarter](#)
- 19 July 2017, [TerraX assays grab samples from Yellowknife City Gold project](#)
- 19 July 2017, [Sabina Gold & Silver receives positive recommendation from NIRB for Back River](#)
- 17 July 2017, [Dominion to be acquired by The Washington Companies for US\\$14.25 per share](#)
- 17 July 2017, [Auryn commences drilling at the Homestake Ridge Gold Project](#)
- 14 July 2017, [Dominion Diamond comments on recent media rumours](#)
- 14 July 2017, [TMAC Resources revises credit facility](#)
- 14 July 2017, [TMAC provides Hope Bay update, 2017 mineral reserves/resources estimate](#)
- 13 July 2017, [Cameco provides date for Q2 conference call](#)
- 13 July 2017, [Nighthawk reports gold intersects at Colomac](#)
- 12 July 2017, [Auryn Resources to commence trading on the NYSE](#)
- 12 July 2017, [Stornoway announces second quarter production and sales results](#)
- 10 July 2017, [Peregrine diamonds announces \\$10.28 million rights offering](#)
- 7 July 2017, [Dominion Diamond announces final approval of Jay Project water licence](#)
- 6 July 2017, [Avalon's lithium hydroxide successfully tested as lithium ion battery cathode](#)
- 5 July 2017, [Silver Range defines high-grade drill targets at Strongbox](#)
- 5 July 2017, [Canterra extends warrants](#)
- 4 July 2017, [De Beers seeks research submissions for leading conservation conference](#)
- 4 July 2017, [Canadian Zinc launches summer drilling at South Tally Pond project](#)
- 4 July 2017, [Kennady Diamonds commences summer exploration program](#)
- 29 June 2017, [Agnico Eagle provides notice of Q2 2017 results, conference call and webcast](#)

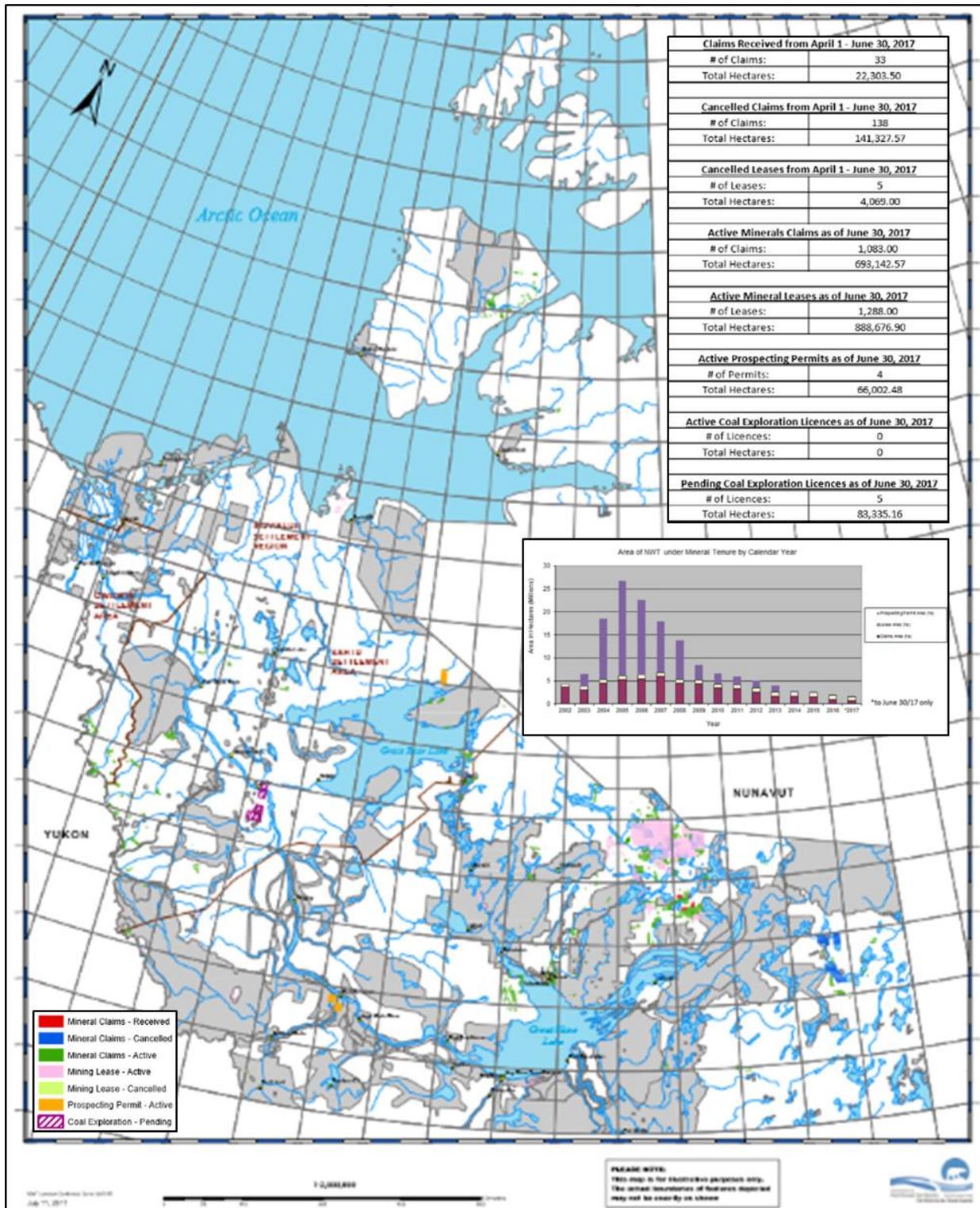


## Calendar of Events

- **Northwest Territories Lands Act and the Commissioner's Land Act review.** The Government of the Northwest Territories' Department of Lands is conducting engagement activities as part of its review of the Northwest Territories Lands Act and the Commissioner's Land Act. For more details and to provide input, click [here](#) or email [LandActsReview@gov.nt.ca](mailto:LandActsReview@gov.nt.ca). The engagement period closes August 15, 2017.
- **Opportunities North**, September 12-14, 2017, Edmonton, AB. An annual joint initiative of the Yukon Chamber of Commerce, Northwest Territories Chamber of Commerce and Edmonton Chamber of Commerce, the Opportunities North business conference features: industry renowned speakers, a dynamic tradeshow, and integrated tour components affording numerous networking opportunities for both local and traveling attendees. Learn more [here](#).
- **Mining Diesel Emissions Council**, October 3-5, 2017, Hilton Toronto Airport Hotel. This annual conference is a global forum for learning and sharing the latest practices and research to control and reduce diesel emissions in the mining workplace environment. The conference includes a field trip, a workshop, technical sessions / presentations, and an exhibitors' area for companies and organizations. Early bird registration deadline is September 1. Additional details can be found [here](#)
- **Canadian Aboriginal Minerals Association 25<sup>th</sup> Anniversary Conference: "Water For Life, Mining For Need, Achieving Balance"**. November 12-14, 2017, Toronto, ON. For more information and to register, visit [here](#).
- **45<sup>th</sup> Annual Yellowknife Geoscience Forum**, the North's largest combined tradeshow and conference, will be held November 14 - 16, 2017 in Yellowknife, NT. Watch for updates at the website [here](#).
- **[Our Land, Our Future: National Summit on Indigenous Youth and Natural Resource Development](#)**, Conference Board of Canada, Calgary, AB November 21 - 22, 2017. Relationships between industry, government and Indigenous peoples lie at the heart of Canada's natural resource sector. Each holds a powerful position with unique rights and responsibilities. A collaborative, mutually-beneficial approach is also critical to ensuring sustainable, environmentally responsible development. Click title to learn more.
- **Association for Mineral Exploration Roundup 2018**, January 22-25, 2018, Vancouver, BC. Roundup brings together geoscientists, prospectors, investors, suppliers and First Nation partners to share ideas that will help shape the future of mineral exploration and development in Canada. Learn more [here](#).
- **PDAC 2018 International Convention, Trade Show & Investors Exchange** - March 4 - 7, 2018, Metro Toronto Convention Centre, Toronto, ON. Learn more [here](#).
- **Resources for Future Generations (RFG2018)**, June 16-21, 2018, Vancouver Convention Centre, BC. With themes covering all 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](http://www.RFG2018.org). Abstracts will be sought in June 2017.

## Northwest Territories Mineral Tenure Heat Map April-June 2017

Click [here](#) or on the image for higher resolution PDF



## Mines & Promising Northwest Territories Mine Projects

The following table describes mines and leading mineral development projects in the NWT.

Project Name	Owner(s)	Commodity	Description	Status
<a href="#">Ekati Mine</a>	<a href="#">Dominion Diamond Corporation</a> , 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, July 17, 2017: Dominion to be Acquired by The Washington Companies for US\$14.25 Per Share  News Release, July 14, 2017: Dominion Diamond Comments on Recent Media Rumours  News Release, July 7, 2017: Dominion Diamond Announces Final Approval of Jay Project Water Licence
<a href="#">Diavik Mine</a>	<a href="#">Rio Tinto &amp; Dominion Diamond Corporation</a>	Diamonds	Canada's largest producer of diamonds, 300 km NE of Yellowknife. Mine life to 2025. Became all underground mine in 2012. Workforce approximately 1,000. 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, 2016 were 16.3 million tonnes at 2.8 carats/tonne for total of 46.0 million carats.	News Release, March 31, 2017: Dominion Diamond Files Updated Technical Report for the Diavik Diamond Mine
<a href="#">Gahcho Kué Mine</a>	<a href="#">De Beers Canada</a> (51% is operator) and <a href="#">Mountain Province</a> (49%)	Diamonds	Located approximately 280 km NE of Yellowknife, NWT. Open pit mine with life of 12 years. Mine reached commercial operation in Q1 2017 and employs approximately 530 people full-time, with the majority working a two-week in/two-week out rotation. Plan is for three open pits.	News Release, July 20, 2017: Mountain Province Diamonds Production Report for Second Quarter  News Release, July 4, 2017: De Beers Seeks Research Submissions for Leading Conservation Conference
<a href="#">Prairie Creek</a>	<a href="#">Canadian Zinc Corporation</a>	Zinc-lead-silver	Proposed underground mine 120 km W of Ft. Simpson. Estimated mine jobs: 220 All permits now in place to construct and operate the mine. 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: July 4, 2017: Canadian Zinc Launches Summer Drilling at South Tally Pond Project
<a href="#">NICO</a>	<a href="#">Fortune Minerals Ltd.</a>	Cobalt-gold-bismuth-copper	Proposed open pit and underground mine located 50 km NE of Wha Ti.	News Release, 22 June 2017: Fortune Minerals Announces Results of Annual and Special Meeting of Shareholders

			Estimated mine jobs: 150. Requires access to highway to Wha Ti, still to be constructed.	<p>News Release, June 21, 2017: Fortune Minerals Appoints Chief Operating Officer as it Prepares for Construction NICO Project</p> <p>News Release, April 25, 2017: Fortune Minerals Retains Hatch and Micon to Update NICO Feasibility Study to Support Project Financing</p> <ul style="list-style-type: none"> <li>• Cobalt demand accelerating in batteries for automotive electrification and stationary storage</li> </ul>
<a href="#">Kennady North</a>	<a href="#">Kennady Diamonds Inc.</a>	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.	News Release, July 4, 2017: Kennady Diamonds Commences Summer Exploration Program
<a href="#">Nechalacho</a>	<a href="#">Avalon Advanced Materials Inc.</a>	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, July 6, 2017: Avalon’s Lithium Hydroxide Successfully Tested as Lithium Ion Battery Cathode
<a href="#">Indin Lake</a>	<a href="#">Nighthawk Gold</a>	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 sq km, approximately 220 km north of Yellowknife, NT. The Indin Lake Greenstone Belt is one of Canada’s most underexplored gold camps. The property contains 14 known gold deposits and showings, 3 are historic mines (eg Colomac)	News Release, July 13, 2017: Nighthawk Reports Gold Intersects at Colomac
<a href="#">Pine Point</a>	<a href="#">Darnley Bay Resources</a>	Lead-zinc	Proposed open pit mine east of Hay River, NT. 10 open pits mined sequentially with 321 jobs. Darnley Bay Resources acquired the project in 2017, and has begun	News Release, July 27, 2017: Darnley Bay Signs Option to Purchase Half of Pine Point Royalty

## NWT & Nunavut Chamber of Mines – Northern Mining News

			<p>active exploration to advance the project.</p> <p>Darnley Bay Resources is planning to start feasibility study in September, with results expected the following year. PEA quotes 13-year mine life.</p>	
<a href="#">Courageous Lake</a>	<a href="#">Seabridge Gold Inc.</a>	Gold	<p>Proposed open pit mine 240 km NE of Yellowknife. 6.5 M oz proven and probable reserves in 91.0 million tonnes at 2 g/t (2016 Annual Report). Positive PFS July 2012. The FAT deposit is one of Canada's largest undeveloped gold projects. Seabridge is currently focusing on their KSM mine and other BC projects.</p>	<p>News Release, June 29, 2017: Seabridge Gold Reports on Results of Annual Meeting of Shareholders</p> <p>News Release, May 12, 2017: Seabridge Gold Files First Quarter Financial Statements and MD&amp;A</p> <p>News Release, May 11, 2017: Seabridge Gold Publishes 2016 Annual Report</p>
<a href="#">Selwyn (Howard's Pass Project)</a>	<a href="#">Selwyn Chihong Mining Ltd.</a>	Zinc, lead	<p>Proposed base metal mine in Yukon on NWT border and access is through NWT. Agreements signed with NWT (Sahtu) Aboriginal land corporations.</p> <p>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.</p> <p>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.</p>	<p>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.</p> <p>The HPAR was developed in the 1970s, and runs from the Nahanni Range Road to the NWT-Yukon border. Passing through 2 national parks.</p> <p>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.</p>
<a href="#">Snap Lake Mine (Suspended, on care &amp; maintenance)</a>	<a href="#">De Beers Canada</a>	Diamonds	<p>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>	<p>News Release, December 16, 2016: Extended Care and Maintenance to Proceed at Snap Lake Mine</p>
<a href="#">Cantung Mine (Closed, on care &amp; maintenance)</a>	<a href="#">North American Tungsten</a>	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>GNWT News Release, November 19, 2015: NWT Government Purchases Mactung assets of Cantung</p>

## Mines & Promising Nunavut Mine Projects

The following table describes mines and leading mineral development projects in Nunavut.

Project	Owner(s)	Commodity	Description	Status
<a href="#">Meadowbank Gold Mine</a>	<a href="#">Agnico Eagle Mines</a>	Gold	In operation since 2010. Open pit mine located in the Kivalliq Region, 300 km west of Hudson Bay and 70 km N of Baker Lake. Mine jobs: 775 AEM announced they will develop Amaruq satellite deposit, 50km from mine site and add 6 years to mine life, beginning in 2019. Construction of the Amaruq Exploration Access Road commenced in first quarter 2016. Road construction is ongoing with nine kms completed to date of expected total length of 64kms.	News Release, June 29, 2017: Agnico Eagle Provides Notice of Q2 2017 Results, Conference Call and Webcast
<a href="#">Mary River Iron Mine</a>	<a href="#">Baffinland Iron Mines Corporation</a>	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.	News posted May 24, 2017: Attend one of Baffinland's Phase 2 Information Sessions  News posted May 15, 2017: Baffinland and QIA Approve 2017 IIBA Work Plan for Mary River Mine
<a href="#">Hope Bay (Mine began commercial production May 15, 2017)</a>	<a href="#">TMAC Resources Inc.</a>	Gold	Gold mine 130 km S of Cambridge Bay. TMAC's property covers the majority of the Hope Bay Greenstone Belt. Estimated mine jobs: 485 Mine nearing commercial production in February 2017.	News Release, July 26, 2017: TMAC Resources Signs Revised Credit Facility  News Release, July 14, 2017: TMAC Resources Revises Credit Facility  News Release, July 14, 2017: TMAC Provides Hope Bay Update, 2017 Mineral Reserves/Resources Estimate
<a href="#">Meliadine</a>	<a href="#">Agnico Eagle Mines Ltd.</a>	Gold	Proposed open pit and underground gold mine, 25 km NE of Rankin Inlet. Estimated construction jobs: 1,000 Estimated mine jobs: 700 IIBA signed June 2015. Initial capital cost is estimated to be \$911m; initial production life of 9 years. On February 15, 2017: Agnico Eagle announced that Meliadine and Amaruq projects approved for development with production beginning in 2019.	News Release, July 26, 2017: Agnico Eagle Reports Second Quarter 2017 Results
<a href="#">Back River</a>	<a href="#">Sabina Gold &amp; Silver Corp.</a>	Gold	Approximately 60KM from Hackett River; adjacent to the Wishbone Greenstone belt. Consists of the George and Goose Lake deposits and holds significant gold resources.	News Release, July 19, 2017: Sabina Gold & Silver Receives Positive Recommendation from NIRB For Back River

			<p>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). Initial CAPEX of \$415 million.</p>	<p>News Release, July 20, 2017: Sabina Reports Expanded Second Phase Drilling Campaign at Back River</p>
Kiggavik	AREVA Resources Canada Inc.	Uranium	<p>Proposed uranium mine 80 km W of Baker Lake.                  Estimated Construction jobs: 750                  Estimated mine jobs: 600</p>	<p>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.</p>
Izok Corridor Project (with High Lake & Hood River deposits)	MMG Ltd.	Copper, Zinc, Gold, Silver	<p>High Lake is 1,710 hectare, copper-zinc-silver-gold property, 190 km ESE of Kugluktuk. Izok is high-grade zinc-copper-lead-silver deposit, 255 km SW of Kugluktuk.                  Estimated construction jobs: 1,140                  Estimated mine jobs: 710</p>	<p>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</p>
Chidliak	Peregrine Diamonds Ltd.	Diamonds	<p>Located 120 kilometres NE of Iqaluit, the capital of Nunavut, and 180 km S of Pangnirtung. 74 kimberlites discovered to date with 8 potentially economic. Positive Phase One Preliminary Economic Assessment in July 2016 highlights:</p> <ul style="list-style-type: none"> <li>• After-tax payback period of 2 years,</li> <li>• LOM of 10 years.</li> <li>• Commercial production 2021 with 3-year construction schedule.</li> <li>• LOM average production rate of 1.2 million carats per annum, peaking at 1.8 million carats per year.</li> <li>• LOM average head grade 1.67 ct/T</li> <li>• Estimated pre-production capital requirement of approximately C\$434.9 million, includes construction of 160 kilometre, all-weather road to connect to Iqaluit, the capital of Nunavut.</li> <li>• 2,000 tonnes per day.</li> <li>• LOM Opex of C\$94.4/tonne of C\$57.7/carat.</li> </ul>	<p>News Release, July 26, 2017 Peregrine Establishes Westward Expansion Of CH-6 Kimberlite with First Drillhole</p> <p>News release, July 10, 2017: Peregrine Diamonds Announces \$10.28 Million Rights Offering</p>

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<a href="#">Angilak</a>	<a href="#">Kivalliq Energy Corp.</a>	Uranium	340,268 acre property located SW of Baker Lake; Hosts the high-grade Lac 50 Trend deposit	News Release, July 25, 2017: Kivalliq Starts Exploration at Baffin Gold Property, Nunavut
<a href="#">Qilalugak</a>	<a href="#">North Arrow Minerals / Stornoway Diamonds</a>	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, July 27, 2017: Stornoway Announces Second Quarter Release Date  News release July 24, 2017: North Arrow Collects Mini-Bulk Sample from Q1-4 Kimberlite, Naujaat Project, NU  News release, July 12, 2017: Stornoway Announces Second Quarter Production and Sales Results
<a href="#">Committee Bay Gold Project</a>	<a href="#">Auryn Resources</a> (purchased North Country Gold Corp.)	Gold	Committee Gold Bay Project Highlights: <ul style="list-style-type: none"> <li>• High grade gold endowment</li> <li>• Existing exploration infrastructure</li> <li>• 217,600 hectares with district scale discovery opportunities</li> </ul>	News Release, July 17, 2017: Auryn Commences Drilling at The Homestake Ridge Gold Project  News release, July 12: Auryn Resources to Commence Trading on the NYSE
<a href="#">Hackett River</a>	<a href="#">Glencore</a>	Zinc, Silver, Copper, Lead	Proposed open pit mine. One of largest undeveloped VMS massive sulphide deposits in the world. 104 km SSW of Bathurst Inlet. Estimated construction jobs: 800 Estimated mine jobs: 500	PFS initiated in September 2012. No activity reported in 2015.

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Project Maps

