

Northern Mining News

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From the Executive Director ...

The North lost a good friend in late May with the passing of George Braden. Elected the first leader of the NWT government before there was a Nunavut, George quietly drove change, amongst which was support for the recognition of Aboriginal rights. He had early exposure to northern geology and resources while a student, and we like to think that it helped reinforce for him the importance of resource development to the north and northerners. With that perspective, and in his work with Senator Dennis Patterson, he continued to promote responsible northern resource development.

We will miss you, George ...

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

Premier Taptuna talks investment in Toronto

Nunavut Premier Peter Taptuna was in Toronto on April 30 and May 1, 2015, to speak with the mining industry and promote investment in Nunavut. Premier Taptuna hosted 100 industry, embassy and government representatives at a reception on April 30 to advocate the huge growth potential in Canada’s newest territory.

“Nunavut’s 2015 economic outlook is promising, and our government wants to seize all potential business opportunities. Natural resources, construction and fisheries are the key drivers of our future. We are taking action to develop partnerships for investment,” said Premier Taptuna.

The Premier emphasized that investments in Nunavut not only provide spinoff benefits to other sectors, but also result in net benefits to other jurisdictions in Canada.

“Every dollar invested in Nunavut yields revenue for other parts of Canada. Of the private capital invested by the mining sector, \$300 million went directly back into and supported our neighbouring jurisdictions,” said Premier Taptuna.

In addition to hosting a reception, Premier Taptuna spoke at Agnico Eagle’s annual general meeting (AGM) on May 1. Agnico Eagle operates the Meadowbank mine, near Baker Lake, Nunavut. The Meadowbank mine employs 775 people, 34 per cent of whom are Inuit, and brings in \$100 million per year in expenditures to Inuit businesses in the territory.

“We know it is critical that investments remain competitive and we want industry to be financially successful. Costs are higher in Nunavut than most places, but I assure you, long-term investments can lead to very successful business and more local employment,” said Premier Taptuna during the AGM.



Nunavut is an emerging Canadian economy, with the youngest and fastest growing population in Canada. Nunavut's resource sector has a healthy mix of advanced, established and early-stage projects. The construction sector grew by 34 per cent last year as a result of mining sector investments, and the fisheries sector represents \$133 million in revenue per year. Predictions indicate a promising economic outlook for Nunavut this year, with a gross domestic product that will advance by 6.8 per cent.

Sabina Announces Positive Feasibility Study on Back River Gold Project,

Vancouver, BC – Sabina Gold & Silver Corp (SBB.T), (“Sabina” or the “Company”) is pleased to announce it has received the results of the Feasibility Study (“FS” or the “Study”) for its 100%-owned Back River gold project (“Back River” or the “Project”) in Nunavut, Canada. The FS was led by JDS Energy & Mining Inc. (“JDS”) (mining, on-site infrastructure, off-site infrastructure, logistics, capital costs, operating costs, financial analysis and report preparation) (“JDS”) and contributed to by Hatch Ltd. (“Hatch”) (metallurgy, processing, on-site infrastructure and off-site infrastructure), SRK Consulting (Canada) Inc. (“SRK”) (geotechnical, hydrology, tailings design, waste and water management), AMC Mining Consultants (Canada) Ltd., (“AMC”) (geology), and Knight Piésold Ltd. (“KP”) (geomechanical).

The Back River Gold Belt is located in the West Kitikmeot Region of Nunavut, Canada and is situated approximately 75 km from tide water at Bathurst Inlet. The Project is made up of a series of five claim blocks of which only two (Goose and George) have been the primary focus of exploration and resource development to date.

“Back River offers a rare opportunity for significant high grade gold production by both open pit and underground operations in one of the world's safest mining jurisdictions. We are very pleased to announce what we believe is a very compelling FS,” said Bruce McLeod, President and CEO. “The FS presents a project that has been designed on a fit-for purpose basis, with the potential to produce ~350,000 ounces a year for ~10 years with a rapid payback of 2.2 years. At a US\$1,200 gold price and a exchange rate, the Study delivers a potential after tax internal rate of return (“IRR”) of approximately 22% with an initial CAPEX of \$695 million. Comparing the Study against other projects we believe this is a sound FS that demonstrates the potential of Back River to be a significant Canadian gold producer. Additionally, as part of their recommendations in the FS, JDS has identified the potential optionality to start smaller at Back River which could kick off production on the belt. Such an opportunity would require less initial capital which in these markets may enhance shareholder value.”

Feasibility Study Highlights

The FS was initiated in June of 2014 following the encouraging results of the Preliminary Feasibility Study (“PFS”) on Back River which was announced in October of 2013.

All currencies are in Canadian dollars unless otherwise specified. Base case economics are based on a gold price of US\$1200/oz Au and an exchange rate of 0.87 (US\$:C\$).

The Study's highlights include:

- The Project could generate a post-tax IRR of 21.7% and net present value (“NPV”) (at 5% discount rate) of \$539 million
- The Project could generate Life Of Mine (“LOM”) post-tax net cash flow of \$914 million on gross revenues of \$4.5 billion with a payback period of 2.2 years (from start of operations);
- Processing rate of 6,000 tonnes per day (“tpd”) could produce an average of ~346,000 oz Au per year (post commencement of commercial production)
- Average production of 413,000 oz Au in years 1 through 4;
- Majority of production from open pit;
- Initial capital estimate of \$695 million and sustaining capital estimate of \$529 million (including closure);
- Total LOM cash cost estimate of US\$535/oz Au (including third party royalties, refining and transport). LOM all-in sustaining cash cost estimate of US\$671/ oz Au LOM (including sustaining capital);
- A total of 19.8 million tonnes of ore could be milled over 10 years with a LOM average grade of
- 5.70 grams per tonne (“g/t”) Au and metallurgical recoveries of 93%;
- Base case assumptions of delivered diesel price of \$0.94/L for power generation; and
- Open Pit strip ratio of 7.2:1 over LOM.

Read the complete release [here](#).

Industry study identifies northern cost premium – makes recommendations

High costs and lack of infrastructure inhibiting exploration and mining development in Canada's North

OTTAWA, May 5, 2015 – A new study entitled [Levelling the Playing Field](#) identifies the cost to explore and build new mines is as much as 2.5 times higher in northern Canada, largely as a result of a lack of critical infrastructure. This is creating major obstacles to exploring and operating in Canada's remote and northern regions.

The study was produced by the Mining Association of Canada (MAC), the Prospectors & Developers Association of Canada (PDAC), the Association of Consulting Engineering Companies - Canada, the NWT & Nunavut Chamber of Mines, and the Yukon Chamber of Mines. The report defines “north” or “northern” to include Canada's territories, as well as remote and northern regions of the provinces.

The study's main findings were two-fold. First, the costs of mineral exploration and building and operating mines are significantly higher in remote and northern regions of Canada's provinces and territories. Second, this cost premium is directly linked to the lack of infrastructure in these areas. Unlike many of their southern counterparts, companies operating in these remote areas need to invest in costly, but essential infrastructure like ports, power plants, winter and permanent roads, and accommodation facilities. In many cases, there are also sparse populations or no people for hundreds of kilometres from the project or mine.

Capital costs were higher for a range of commodities:

- 2.5 times higher for base metal mines
- Approximately double for gold mines
- 15-20% higher for diamond mines in the territories

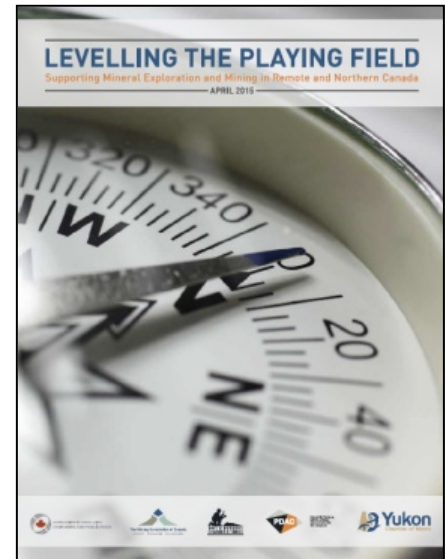
Exploration costs varied directly with distance from transportation infrastructure, with the most remote project costing six times that of the least remote project.

The Canadian mining industry is an integral part of the nation's economy, contributing \$54 billion to Canada's GDP in 2013 and employing more than 380,000 people across the country. Direct mining employment and mining output across the northern regions of all provinces neared 16,000 workers and exceeded \$3.4 billion respectively in 2011. In the territories, recent data indicate that mining accounts for approximately 15% of overall employment in the Yukon, Northwest Territories and Nunavut combined. Sustaining these benefits for future generations will require integrated, innovative policy responses by governments to create an attractive investment climate.

Despite Canada's current leadership in mining, there are two main indicators that suggest the industry's long-term viability is in jeopardy: reserves for several base metals have experienced significant declines since the 1980s, and production volumes of key commodities have also been declining relative to other mining countries. Resolving these issues involves increasing exploration activity to make more discoveries as a means of replacing declining reserves, and then bringing new and existing discoveries into production. Remote and northern parts of Canada hold the key to resolving both challenges.

Recently, governments have started to bring a sharper focus on economic development in the North. The federal budget 2015, for example, proposes to increase the borrowing limit for the Government of the Northwest Territories to \$1.3 billion and for the Government of Nunavut to \$650 million, while the extension of Canadian Exploration Expenses (CEE) to include community consultation expenses will reduce the costs of exploration. The intent of the former is to give the territories greater flexibility in exploring future investments, including in infrastructure to support resource development and economic growth. Quebec's Plan Nord is another strong commitment to northern development, and this government's recent commitment to extend Route 167 to the Renard diamond mine is the kind of initiative required to enable new mineral exploration and mining development.

However, the study reveals additional strategic investments are warranted to overcome the cost burden and make the region more competitive for global mineral investment. In the absence of additional public infrastructure investments, the authors recommend taxation policy reform for both the exploration and production phases of mining that will help level the playing field for companies seeking to work in remote and northern regions of Canada.



Policy Recommendations:

- To support exploration, the group advocates for a new and enhanced federal Mineral Exploration Tax Credit (METC) for projects in remote and northern parts of Canada at 25% versus the current 15%, as well as financial incentives to make the costs of drilling for early-stage exploration projects more economically feasible.
- To support mining companies to build and operate in remote and northern areas, the group recommends a base 10% investment tax credit, in addition to either: 1) a 15% investment tax credit for eligible infrastructure, or 2) a pardonable 25% conditionally repayable contribution for infrastructure investments. Flexibility is needed to enhance the project economics for companies in both taxable and tax-limited positions.
- With infrastructure being a critical need, the group also recommends the establishment of a northern infrastructure investment bank in the territories for mine-related infrastructure that generate public benefits, but do not meet the “public use” criterion of existing federal programs.

“The North holds Canada’s mining future and more mines are needed to ensure economic prosperity in the future. This study clearly illustrates that it is significantly more expensive to explore for and develop mines in the north relative to less remote southern localities in Canada. Levelling the playing field for mining and exploration through fiscal incentives would help to attract the investment required to find and develop more mines and lead to northern regions becoming more economically independent. That’s a win-win scenario,” said Brooke Clements, President, NWT & Nunavut Chamber of Mines.

Download the document here:

- Full PDF of Report: [Levelling the Playing Field](#)
- [Executive Summary in French](#)
- [Executive Summary in Inuktitut](#)

Obituary – George Braden

The north lost a good friend with the passing of George Braden on Monday, May 25, 2015, at his home in Nepean, Ontario.

Senator Dennis Patterson extend his condolences to the wife and family of his Senior Policy Advisor, with the following statement:

“I feel privileged to have had the benefit of his experience, wisdom and dedication these past almost six years. He’s been a highly trusted adviser and a respected member of the Senate team who has won great esteem from everyone we have interfaced with over these years, particularly in the resource and government sectors,” Senator Patterson said in a tribute to Mr. Braden given in the Senate Chamber on May 7, 2015.

During his tenure at the Senate, part of Mr. Braden’s focus was on the northern, resource, and energy development files.

From his student days working as a geologist’s helper in the Barren Lands, Mr. Braden and his family have had an understanding of the importance of mining to the territories and Canada. He

worked with enthusiasm and dedication with the NWT & Nunavut Chamber of Mines, The Prospectors and Developers Association of Canada (PDAC), and the Mining Association of Canada (MAC), to help put mining on federal and territorial government priority lists. He also enjoyed a close working relationship with executives of mining companies operating in the territories, who appreciated his quiet and thoughtful advice about navigating the regulatory process and interfacing with northern stakeholders.

Until his final days, he continued to wield his fine brand of dry humour, keen intelligence, humility and humanity to support improvements for northerners. He will be greatly missed by all who knew him.



George Braden, the NWT's first government leader in 1980, right, is sworn in by NWT Supreme Court judge C.F. Tallis. (Photo credit Northern News Services Ltd.)

Additional Facts about Mr. Braden:

- He graduated from Political Science at the University of Alberta and went on to obtain his master's degree from Dalhousie University in 1976
- In 1977 to 1979, Mr. Braden was the principal adviser to the Honourable Bud Drury in diagnosing the chafing frustration of colonial and non-democratic rule in the Northwest Territories and the lack of progress in settling land claims
- In 1979, he was elected MLA for Yellowknife North and went on to become the first elected Leader of the Government of Nunavut, serving as leader until 1983
- George Braden was co-chair of the N.W.T. Special Committee on the Constitution that successfully lobbied Prime Minister Trudeau and his cabinet to include the recognition of Aboriginal rights in the Constitution, in section 35
- Mr. Braden was also the commissioner of the highly acclaimed N.W.T. pavilion at Expo '86
- For many years Mr. Braden ably represented the N.W.T. in the North at the federal level as Deputy Minister of Intergovernmental Affairs before coming to the Senate

Senator Patterson's full Statement in the Senate can be found here:

<http://www.dennispatterson.ca/p106358/>

Economic Implications of Climate Change on the NWT's diamond ice road

The final report for the recently completed economic analysis of the Tibbitt to Contwoyto Winter Road (TCWR), and adaptations related to climate change is now available. This study evaluates the climate-related vulnerabilities and related costs and benefits of the Tibbitt to Contwoyto Winter Road, the mine access road built mainly over frozen lakes in the Northwest Territories to service the diamond mines.

The study concludes that:

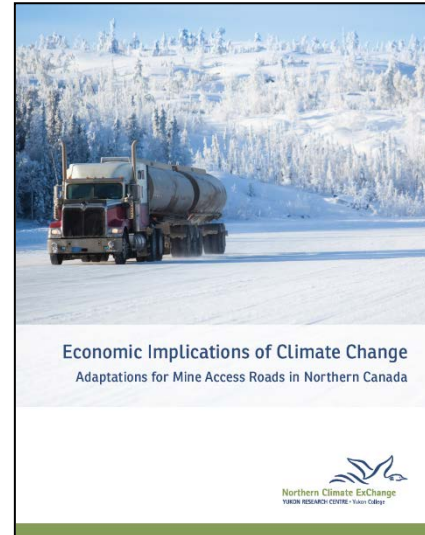
Although the Tibbitt to Contwoyto Winter Road is likely to support ongoing operations for the mines that it now serves for a number of years, future climate variability and potential increases in demand for road transport could lead to the recurrence of events similar to those in the 2006 season.

With the development of the Gahcho Kué mine and other potential future projects in the area, road demand is likely to increase. The Gahcho Kué mine is planned to become operational in 2016, and therefore has a large number of shipments that need to be transported by winter road in the 2015 season. To date they have managed to move at least 75% of those supplies and will likely achieve the full 100% (Miller 2015). Miller (2015) notes that getting those shipments through before the end of the road season is at least partly the result of good planning by the company. Careful planning and flexible scheduling will help road users achieve the maximum use possible; however, it is important for users to understand the costs incurred due to flexible scheduling, and the costs that will be incurred if the season is shorter than the threshold for adaptation.

Currently, the impact of expanded use due to the Gahcho Kué mine is manageable, but if more projects are implemented there will be impacts on the ability of current mines to continue flexible scheduling and transport the required number of loads per season. Any future decisions around increasing the use of the road should take into account the possibility of shortened seasons.

The Government of the Northwest Territories is exploring options to build a permanent all-season road for the first half of the TCWR (Quenneville 2015a). This means that the most vulnerable sections of the road — the southern sections and the portages — may no longer be problematic. Construction of a permanent all-season road could extend the season by a month, or possibly longer (Quenneville 2015a). It could also significantly reduce the likelihood of triggering the adaptation scenario or crossing into the critical conditions scenario during the life of the current mine projects.

The TCWR is unusual compared to most other northern ice roads in that its main purpose is solely to supply mining projects. Although having a longer season would improve access for the



TCWR, it is possible to move the required goods and equipment through flexible scheduling of loads in the existing operational season.

Most northern ice roads also service northern communities, or supply projects that require roads to be open as long as possible. In those cases, communities are concerned with having consistent road access for as long as possible, as opposed to achieving a certain number of loads. The lessons learned from the TCWR can inform those people making decisions for other ice roads on how to manage a road to extend the season as long as possible. The economic lessons from this report may not address the challenges faced by other ice roads, as flexible scheduling is not an adaptation that can be applied to all circumstances. For winter ice roads in areas currently at risk of warmer winters, building all-season sections in the most vulnerable areas may be the most viable solution.

Although shorter and warmer winters can be expected as a result of climate change, seasonal forecasting cannot yet predict with a high level of certainty when warmer winters will occur, or when temperature swings will be extreme enough to affect road operations. Managing the road with careful planning and preparation will allow road users to take advantage of flexible scheduling by shipping as early as possible to avoid the risks of a shortened season.

The work was coordinated by the Yukon Research Centre and received significant input from the TCWR Joint Venture, GNWT and the NWT and Nunavut Chamber of Mines. Click [here](#) or on the report icon to download the report.

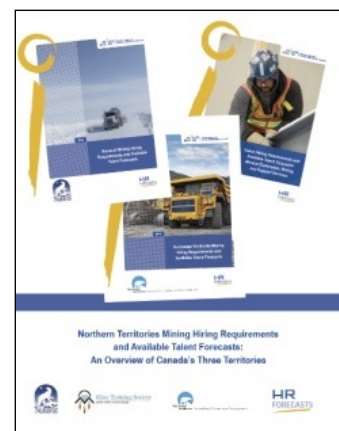
NWT Mine Hiring Requirements & Forecast Reports Now Available

The Department of Education Culture and Employment is pleased to update you on the reports that The Mining Industry Human Resources Council (MiHR) has prepared on Mining Hiring Requirements and Available Talent Forecasts for the Yukon, Northwest Territories, and Nunavut. In addition to the reports for each territory, one report combining all three territories was prepared. View the NWT report and the amalgamated report on the Education, Culture and Employment website [here](#), or click on the individual links for the reports below:

- [Northern Territories Mining Hiring Requirements and Available Talent Forecasts: An Overview of Canada's Three Territories](#)
- [Northwest Territories Mining Hiring Requirements and Available Talent Forecasts](#)

The reports were produced in consultation with over 50 mining industry stakeholders and partners across the North. The production of these reports demonstrates the partnership between the three territorial governments, MiHR, the Mine Training Society and the Canadian Northern Economic Development Agency (CanNor).

In preparing the amalgamated report, MiHR developed forecasts of hiring requirements and available talent for the Northern mining industry over a 10-year horizon (2014-2024). MiHR forecasts rely on a variety of data inputs, mining industry intelligence, and other information that is incorporated into its models and analyses.



Three overarching certainties were highlighted in the production of the reports:

- Working together in partnership is important in gathering data and demonstrating its relevance and value across the North.
- The Northern Mining Industry is vital across all three territories and the resource-based economies will require a larger skilled workforce to maximize its potential.
- A skilled northern workforce is a key component to increasing participation and influencing positive employment outcomes for Northern residents.

Labour market initiatives across the North can only succeed with effective partnerships between governments, employers, education stakeholders and industry working toward a common strategic goal.

In the NWT, along with data acquired from the Skills 4 Success initiative, the forecasts and research in the MiHR report will be used to link goals and objectives to existing strategies to identify gaps and enlist new partners as needed. The first objective of the Skills 4 Success initiative is to better understand the current and future labour market needs and this report advances that understanding.

The GNWT is responsible for the development of strategic approaches to enhance education and training, re-attract labour force ‘leavers’ and recruit a new labour force to ensure the future of the NWT Mining Industry is successful and globally competitive. In collaboration with partners and stakeholders some of the strategies and initiatives include:

- *The Mineral Development Strategy*
- *The Economic Opportunities Strategy*
- *The Come Make Your Mark campaign*
- *The Skills 4 Success initiative*
- *The Northwest Territories Geoscience Office (NTGO) Strategic Plan*

In the Northwest Territories these strategic approaches, the data in the MiHR Reports as well as the unique partnership between the Mine Training Society and Aboriginal governments, public government and the mining industry will support northerners in training and skills development to find long-term employment in the mining industry.

Baffinland proposes Land Use Plan exemption for Phase 2 of Mary River Project

As a suggested course of action from the Nunavut Planning Commission (NPC), Baffinland Iron Mines applied for an exemption from the North Baffin Regional Land Use Plan (NBRLUP), in relation to the use of existing transportation corridors for Baffinland’s proposed Phase 2 Development of the Mary River Project. Exemptions from the NBRLUP can be applied for under section 11.5.11 of the Nunavut Land Claims Agreement (NLCA), and still ensure that Environmental and Socio-economic Impact Assessments are undertaken under the direction of the Nunavut Impact Review Board (NIRB). Baffinland made the request to Minister Valcourt on

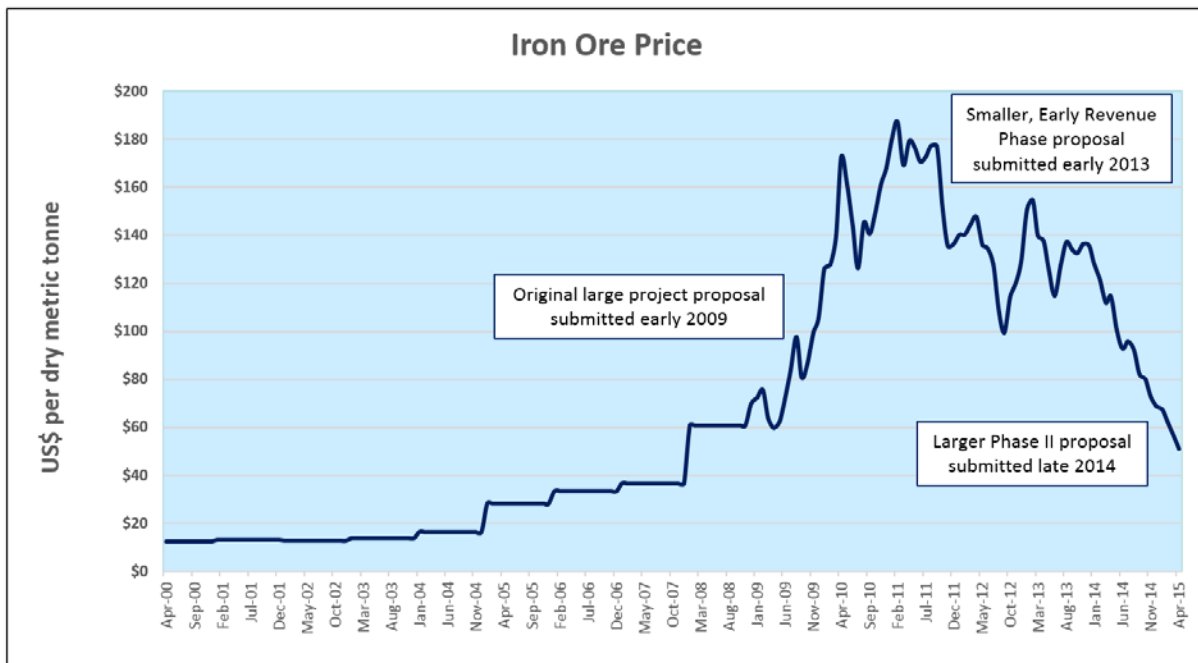


May 21, and asked that the Minister refer Phase 2 to the Nunavut Impact Review Board (NIRB) to permit NIRB to commence its Phase 2 processes in the near term.

The application for an exemption and NIRB referral follows a negative determination based on NPC's interpretation of the text of the NBRLUP. As outlined in the Commission's decision of April 8, 2015, "in the event of a negative conformity determination, a proponent has four options. It may:

- a) apply to the appropriate Minister for an exemption from the NBRLUP in accordance with the NLCA;
- b) amend the project proposal to comply with the NBRLUP and resubmit the amended project proposal;
- c) apply to the Commission to amend the NBRLUP; or
- d) re-evaluate the project proposal.

Coupled with the current low price of iron ore (see chart), the negative conformity ruling (and the length of time it took to make the decision) presents a significant challenge to the Project's ability to move forward – and for communities to capitalize on its many benefits. The Mary River Project commenced mining in September 2014, after completion of a comprehensive environmental and social-economic assessment and regulatory permitting process. In September 2013, Baffinland and the QIA entered into a long term Inuit Impact Benefits Agreement as well as land tenure agreements, to ensure Inuit are consulted and benefit from the Mary River Project as long as it operates. Both the company and Inuit have achieved great success from the project, and the goal is for this to continue.



The Government of Nunavut agrees. In a May 8th letter to Minister Valcourt, Premier Taptuna expressed concern that NPC's "continued hesitancy to provide clear direction endangers 260

jobs, millions of dollars in wages and benefits and many other future benefits this project will bring to Nunavut."

The NPC is currently actively proceeding with its process for review of the Nunavut Land Use Plan which (once approved) would apply Nunavut-wide, and replace the current regional NBRLUP. The Technical Meetings and Pre-hearing Conference for review of the Draft Nunavut Land Use Plan begin June 23rd in Iqaluit.

Baffinland awards Svitzer Tugboat Contract to service Milne Inlet

In the north, we seldom think of tugboats and shipping, but Baffinland's iron mine is reintroducing us to the significant marine shipping we lost when the Nunavut and Polaris base metal mines closed a dozen or so years ago.

Recently, Baffinland awarded a contract to Svitzer, an experienced marine support company with 4,000 employees, and a fleet of 430 vessels and operations all over the world. Since 1833, Svitzer has provided safety and support at sea, and today are a global market leader within towage and emergency response.

By mid-July, Svitzer will commence service at Baffinland's marine terminal in Milne Inlet to support the shipment of iron ore from the Mary River iron mine. Svitzer will mobilize two Ice-Class tugs to ensure safe and reliable operations in ice conditions and harsh environments. This contract highlights Svitzer's ice management capabilities on a local and global scale. "We are enthusiastic to service Baffinland at Milne Inlet as it requires us to draw on our vast ice management experience both in Canada and from our global portfolio in locations such as Sakhalin, Russia and Svalbard, Norway," explains Marinus Lorwa, Chief Operating Officer of Svitzer Americas.



Svitzer will mobilize two Ice-Class tugs to ensure safe and reliable operations at Baffinland's Milne Inlet port.

"Svitzer is an industry-leader in ice management and terminal towage operations," indicates Michael Zurowski, Executive Vice President of Baffinland. "We are confident that Svitzer will be a key player in maximizing our safety and efficiency in supporting vessel operations at Milne Inlet."

Extractive Sector Transparency Measures Act Now in Effect

The Government of Canada has [announced](#) that the *Extractive Sector Transparency Measures Act* (ESTMA) is in force as of June 1, 2015. After this date, all extractive businesses subject to the Act will be required to report certain payments like taxes, royalties, fees, and production entitlements of \$100,000 or more to all levels of government in Canada and abroad. The Act applies to extractive entities subject to Canadian law and engaged in the commercial

development of oil, natural gas, or minerals (i.e., exploration, extraction activities). Reporting entities will need to submit reports for each of their financial years that begin after June 1, 2015.

The Act includes a two year deferral of the requirement for industry to report payments to Aboriginal governments in Canada. The two year deferral period will allow the Government to continue to engage with Aboriginal governments and industry to consider how this reporting requirement can best be implemented.

The Act is similar to emerging international mandatory reporting requirements for the extractive sector (e.g., the United States, the European Union). The Act also provides the Government of Canada to allow reporting entities to substitute reports prepared in another jurisdiction to meet Canada's requirements. The assessment of measures taken in other jurisdictions is currently in progress.

Industry welcomes the legislation. Pierre Gratton, President & CEO, The Mining Association of Canada said: "The coming into force of the Extractive Sector Transparency Measures Act marks yet another important step toward a global transparency reporting standard in the oil, gas and mining sector and is a welcome development on the part of the Government of Canada."

Click [here](#) to download the news release and [here](#) for the Background.

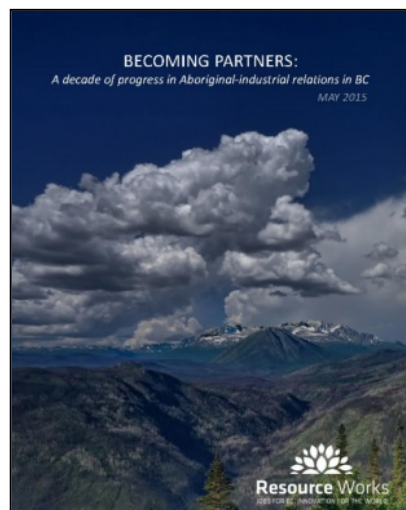
New Aboriginal Relations Study documents BC industry – First Nation success

Resource development in British Columbia has proceeded at an historic pace in recent years, and major projects in the planning stages point the way to continued growth. This boom has been facilitated by unprecedented co-operation between the resource industry and First Nations. While images of First Nation protestors continue to garner significant media coverage, the reality is that BC has entered a new era in relations between the resource industry and First Nations.

A new report [*BECOMING PARTNERS: A decade of progress in Aboriginal-industrial relations in BC*](#) provides insights from principals who have participated in agreements between First Nations and the resource industry. Participants provide first-hand observations into the developments that have paved the way for this watershed moment in First Nation/industry relations.

The participants who informed this study come from different backgrounds, and their comments demonstrate a diversity of expertise and opinion. And yet, strong themes emerged from their comments, illustrating trends in BC Aboriginal-industrial relations. Below are some of the major ideas covered in this report.

An awareness is growing among resource companies that First Nations are among their most important potential partners, which has led to better dialogue and more meaningful long-term relationships. These relationships have helped those First



Nations that choose to engage in the resource economy develop significant and lasting capacity of their own.

Several project proponents have demonstrated that there are effective ways to approach what have long been seemingly intractable challenges. Unstable governance has been addressed in some First Nation communities through separation of business and politics, while industry has learned to take the long view and develop relationships that can withstand the ups and downs of election cycles.

Industry and First Nations have also found ways to reach development agreements despite unresolved and overlapping land claims that were once seen as a considerable barrier to doing business in British Columbia. And recent partnerships have demonstrated that with respect and true dialogue, common ground can be found over concerns about the environment.

Despite this explosion in First Nations participation in the resource economy, challenges remain. While dozens of First Nations have reached partnership and benefit-sharing agreements with resource-development companies, many more continue to withhold their support due to concerns over threats to their cultural and environmental values. Many of those First Nations that are eager to participate in resource development lack the capacity to do so, both in terms of skilled labour and management expertise. Private industry, for its part, frequently complains that resource companies bear an unfair portion of the responsibility to consult with and accommodate First Nations.

What we've learned in recent years is that, while these challenges can seem daunting, they can be addressed, and progress is being made. The [report](#) presents these findings in hope that recognizing the accomplishments as well as the challenges that remain will help accelerate the positive developments already being seen in BC.

Scotiabank – A Spring Rally in Commodity Prices Gets Underway

- ***WTI oil prices strengthen on production slowdown in the U.S. shales & strong spring driving season; at what price will U.S. 'light, tight' oil producers ramp up well completions again? Answer: US\$65.***
- ***In a traditional fight for market share, Persian Gulf producers step up drilling to boost capacity and force out 'higher-cost' producers.***
- ***Iron ore prices lift off bottom.***

Scotiabank's Commodity Price Index increased by 1.7% m/m in April and will likely advance further in May alongside a rebound in oil and stronger base metal prices. A seasonal pick-up in industrial activity across the G7 and China and the pull-back in the U.S. dollar trade-weighted (until recently) are giving commodity prices a boost in the second quarter. Nevertheless, the All Items Index remains 29.7% below a year earlier.

Despite stronger base metal and gold prices in April, the Metal & Mineral Index lost further ground (-1.6% m/m, -13.3% yr/yr). Molybdenum and uranium prices edged down. The contract price for Western Canada's 'premium-grade hard coking coal' in Japan & Asia also retreated from US\$117 per tonne (FOB Vancouver) to US\$109.50 in 2015:Q2 — the lowest since 2007 (in

line with Peak Downs coal in Australia). Spot prices in Australia have dropped further from US\$90.48 to US\$82.89 in May. Global metallurgical coal markets remain in oversupply, though imports have picked up substantially into India (+51% yr/yr in 2015:Q1).

Spot iron ore prices, 62% Fe Fines, delivered to northern China (the international benchmark) fell to a mere US\$46.70 per tonne on April 2, but rallied back over US\$60 in mid-May (now at US\$57.60). Prices are still marginally profitable for the world's three major producers, on the bottom of the world cost curve, but are below average world breakeven costs (including depreciation) of US\$67. Restocking by Chinese steel mills in the seasonally strong second quarter and lower iron ore port stocks have boosted prices. However, perhaps of greater importance was the decision by BHP Billiton to delay further expansion at Port Hedland in Western Australia, indicating a slower pace of iron ore development.

The increase in Australian iron ore export volumes will slow markedly to 55 mt in 2015, 40 mt in 2016 and 30 mt in 2017, after a massive 140 mt gain last year, though ramp-up of Anglo American's Minas-Rio pellet project will lift Brazilian exports in 2015. The recovery in iron ore prices over the next several years will be slow, with China likely loath to see further closures of high-cost domestic mines, needed to rebalance the market. Beijing recently cut the resource tax on iron ore by 60% in a bid to boost competitiveness.



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

Request for Input on 2 Species at Risk: Boreal Caribou and Western Toad

Opportunity for Input: Proposed NWT Boreal Caribou Recovery Strategy: The Government of the NWT is inviting public comments on the proposed draft NWT Boreal Caribou Recovery Strategy. Comments are due by July 20, 2015. Please consider the following questions in providing comments: Do you have suggestions to improve the draft recovery strategy? What actions to you think should be taken to help conserve and recover boreal caribou in the NWT? Information materials are found here:

- [Boreal caribou proposed Recovery Strategy](#)
- [Boreal caribou proposed Fact Sheet](#)
- [Boreal caribou proposed Status Report and Assessment](#)

Send your comments on the proposed NWT Boreal Caribou Recovery Strategy to the Chamber of Mines at executivedirector@miningnorth.com or directly to the GNWT at: Lynda Yonge, Director, Wildlife Division, Email: SARA@gov.nt.ca

Opportunity for Input: Proposed Addition of Western Toad to NWT List of Species at Risk: The Government of the NWT is inviting public comments on the potential addition of Western Toad to the NWT List of Species at Risk as a threatened species. Comments are due by July 20, 2015. Please consider the following questions when providing comments: Should Western Toad be

added to the NWT List of Species at Risk? Why or why not? Do you think that the status should be something other than threatened? If so, why? If Western Toad were added to the List, do you think there would be any negative impacts from the listing? If so, what? Is there new or missing information that was not considered in the status report? If so, can you provide it or tell us where to find it? Information materials are found here:

- [Western Toad act Sheet](#)
- [Western Toad Status Report and Assessment](#)
- [Western Toad Clarification on Assessment](#)

Send your comments on the assessment and potential listing of Western Toad to the Chamber of Mines at executivedirector@miningnorth.com or directly to the GNWT at: Lynda Yonge, Director, Wildlife Division, Email: SARA@gov.nt.ca

Diavik makes a surprise find – ancient artefacts

The discovery of ancient artefacts was an unexpected outcome of the Diavik mine’s most recent caribou monitoring expedition.

Each year, community representatives join Diavik’s environmental department to carry out the monitoring program and help assess if the mine is having any impact on migrating caribou populations. In September, Diavik’s environmental department was, assisted by community representatives from the North Slave Metis Alliance and the Tlicho, were installing a remote camera system to help monitor the caribou when several stone tools – estimated to be between 1,300 and 2,600 years old – were found near Contwoyto Lake, in remote Nunavut Territory.

The tools, including knives and adzes (axes), are in exceptional condition. It is believed they were cached or were used as part of a ceremony by Indigenous people travelling across the tundra to hunt caribou. Buried under silt and hidden by the tundra's small but abundant



Artefacts found during Diavik environment work

vegetation, evidence suggests that the tools were exposed by grizzly bears digging into the earth to locate the dens of arctic ground squirrels.

The find was reported to the Nunavut Government, who sent an archaeologist to formally study the area and collect the artefacts.

"Diavik conducts low-impact behavioural monitoring surveys at varying distances from the mine to help assess the effectiveness of its environmental mitigation strategies," explains Diavik Environment Superintendent David Wells.

"This was a rare find, and a very exciting one. A return archaeological field trip to the site is planned for later in the year."

View a poster of the find with a variety of photos by clicking [here](#) or on the image above.

Government of Canada Supports Community Readiness in Nunavut

Training and workshops assist communities and Inuit organization in preparing for development

The Honourable Leona Aglukkaq, Minister of the Environment, Minister of the Canadian Northern Economic Development Agency and Minister for the Arctic Council announced on May 21 two investments that will assist organizations in taking advantage of large scale economic developments in the North. Along with funding from partners, a total of nearly \$130,000 is being invested to support community capacity development.

The first investment will support the Kivalliq Inuit Association (KIA) to update its five-year strategic plan. It will improve KIA's capacity to remain focused on current social and economic realities in the region, while maximizing economic development opportunities. CanNor is investing \$39,580 in KIA's five-year strategic plan, with KIA contributing \$31,942 to its project. KIA will update its plan for 2015-2020 to improve the organization's ability to proactively respond to social and economic challenges, while reaffirming the commitment to resource development that will benefit Inuit and minimally impact the environment.

The second investment will allow the Nunavut Economic Developers Association (NEDA) to conduct two workshops in Gjoa Haven and Pond Inlet to support the communities in maximizing benefits from major development opportunities in the region. The funding provided participants with the training and information needed to develop stronger economic development plans and goals. CanNor is investing \$46,400 in NEDA's workshops, and NEDA is contributing \$11,600. NEDA's four-day workshop will help Economic Development Officers work with their communities in analyzing the impacts of large scale development and create a plan to maximize the benefits from those impacts.

"Our Government recognizes that responsible resource development in the North has the potential to create jobs, growth and long-term prosperity. This investment will help Nunavummiut and Northern communities take advantage of the significant economic opportunities that this sector of the economy has to offer," said Leona Aglukkaq Minister of the Canadian Northern Economic Development Agency.

TMAC featured on front page of Mining Journal

TMAC Resources was highlighted in the international [Mining Journal](#) this month as a project with high investment potential, largely due to the company having private equity money at its core. Daniel Gleeson's article "A well-timed PE gold play" describes the economics of the [Hope Bay Project](#) as well as the challenges the company faces in Nunavut, "a territory in the north of the country not blessed with the best infrastructure".



TMAC Resources Inc. is a privately held, Canadian-based mineral exploration and development company with a highly experienced management team. The company's vision and sole focus is the responsible and economically sustainable exploration, development and mining of the Hope Bay Greenstone Belt, an 80 km by 10 km property with significant upside resource potential in the Kitikmeot region of Nunavut as Canada's next major gold mining camp.

Interesting Legal Cases and Decisions with our Members' Descriptions

Buffalo River Dene Nation v. Saskatchewan (Minister of Energy and Resources), 2015 SKCA 31, Court of Appeal for Saskatchewan (Jackson, Ottenbreit, and Caldwell JJ.A.), 2 April 2015

The Saskatchewan Court of Appeal dismissed an appeal from an order of the Court of Queen's Bench relating to the posting and sale of oil sands exploratory permits in an area covered by Treaty 10. The Court of Appeal agreed with the chambers judge that the duty to consult was not triggered in this case. The granting of exploration dispositions had no potential to impair Treaty 10 rights. The law requires a meaningful threshold for triggering the duty to consult, involving actual foreseeable adverse impacts on Aboriginal or treaty rights flowing from Crown conduct, or a direct link between possible adverse impacts and Crown conduct, and not a merely speculative impact. Read the article by Chamber legal member Borden Ladner Gervais [here](#) and the court decision [here](#).

Saik'uz First Nation and Stelat'en First Nation v. Rio Tinto Alcan Inc. 2015 BCCA 154

On April 15, 2015 the British Columbia Court of Appeal ("BCCA") released Saik'uz First Nation v Rio Tinto Alcan Inc. ("Saik'uz"). The Court of Appeal's decision that First Nations can bring tort claims for harm to asserted rights holds significant implications for First Nations communities that assert constitutionally protected Aboriginal rights and title that have not yet been proven in court, recognized by treaty, or acknowledged by the Crown. The Court in Saik'uz holds that a First Nations claim in nuisance against a private party for harm to asserted Aboriginal rights and title should not be struck out as disclosing no reasonable cause of action. Click [here](#) to read the full article by Chamber legal member Willms Shier Environmental Lawyers. Read the BC Court of Appeal decision [here](#).

Diamond Producers Association (DPA) Announced

Seven of the world's leading diamond mining companies today announced their commitment to form the Diamond Producers Association (DPA). The founding members – ALROSA, De Beers, Rio Tinto, Dominion Diamond Corporation, Lucara Diamond Corporation, Petra Diamonds Ltd, and Gem Diamonds Ltd will work together to support the development of the diamond sector.

The DPA is the first ever international representative organization to be formed by some of the leading diamond producers, with a corporate registration in London, England. The DPA's remit will include:

- Maintaining and enhancing consumer demand for and confidence in diamonds including joint category marketing initiatives;
- Providing a reliable source of industry information, including trade and consumer research;
- Acting as the unified voice of the diamond producers, when required and/or appropriate, with industry and non-industry forums/organizations;
- Communicating the role and contribution of diamond producers to the diamond sector and broader society; and
- Sharing best practices in health and safety, licence to operate, supply chain integrity and environment management.

The DPA will play an important and positive role in the diamond sector. It will actively engage with industry and non-industry organisations to promote the interests of the sector. The DPA will operate in compliance with all applicable competition/antitrust laws. It will have an initial minimum annual budget of US\$6 million, based on commitments of founding members. This budget will enable the DPA to start operating effectively as soon as an Executive Director has been recruited. It will be reviewed annually based on the activity plan submitted to the Board for approval.

A recruitment process has been initiated to appoint the Executive Director who will be responsible for the operational activity of the DPA and report to the Board. Along with the incorporation of the organisation, the appointment of an Executive Director and of a focused support team, the DPA's 2015 activity plan includes the commissioning of research as a base to building a targeted activity plan for the next three years.

From a news release by Petra Diamonds.

New Diamond publication released

The Northern Miner has released a free publication "Diamonds in Canada" which provides a great description of mine and exploration project developments around the country.

In the story ***Dominion delivers*** Brendan Bell, Dominion Diamond Corporation's acting CEO, said "We've had a good run of late," and that the company felt comfortable a regular annual dividend payment of 40¢ per share was viable. Despite a softening in rough diamond prices, Dominion Diamond (TSX: DDC; NYSE: DDC) generated significant free cash flow in fiscal 2015 -

paving the way for the company's first dividend payment since the benefit was suspended in early 2009 due to the financial crisis. The diamond miner generated US\$183 million in free cash flow or free cash flow per share of US\$2.15, in the year ended Jan. 31, 2015, compared with US\$44 million or US52¢ per share in fiscal 2014.

In the story *Is Kennady North one of a kind?* Aurora Geosciences president Gary Vivian said "I think the only thing we felt is that the Kennady North project hadn't been systematically tested." When Aurora Geosciences was contracted to manage the exploration program at Kennady Diamonds' (TSXV: KDI) Kennady North project in the Northwest Territories in 2012, there weren't any clues that the project would turn out to be as successful - or unusual - as it has. The project, revived by Mountain Province Diamonds (TSX: MPV; NASDAQ: MDM) in 2011, was originally part of the AK joint venture with De Beers that held the Gahcho Kué project (now in construction).



There are also updates on a number of other northern projects including those owned by Peregrine Diamonds, North Arrow Minerals, GGL Resources, Mountain Province Diamonds, and Canterra.

View the publication online [here](#).

Chamber discusses economic priorities with Ministers Valcourt and Aglukkaq

The Chamber was pleased to participate in a post-Budget 2015 discussion with the Honourable Bernard Valcourt, Minister of Aboriginal Affairs and Northern Development and the Honourable Leona Aglukkaq, Minister of the Environment, Minister of the Canadian Northern Economic Development and Minister for the Arctic Council on May 4th in Iqaluit. The event was hosted by the [Baffin Regional Chamber of Commerce](#).

The discussion followed a major announcement made earlier in the day concerning a renewed partnership between the Government of Canada, Nunavut Tunngavik Incorporated and the Government of Nunavut for the long term prosperity of Nunavut.

While expressing satisfaction with the federal government's renewal of funding for key areas such as environmental assessment; the Major Projects Management Office; Aboriginal education and training and; geoscience, the Chamber took the opportunity to reiterate the importance of the mining industry in the North, the need for more mines, and that the infrastructure deficit is a problem for investors.

According to an [April 21st news release](#) from the Mining Association of Canada, Budget 2015 includes a number of additional initiatives helpful to Canada's mining sector, including:

- Extending the borrowing limits for the governments of the NWT and Nunavut to \$1.3 billion and \$650 million, respectively, that should facilitate new infrastructure investments.
- Extending the 15% mineral exploration tax credit for flow-through share investors for an additional year. Budget 2015 also reaffirms the government's stated intention to ensure

that the costs associated with undertaking environmental studies and community consultations that are required to obtain an exploration permit will be eligible for Canadian Exploration Expense treatment.

- Budget 2015 proposes \$30.8 million over five years for measures to enhance the safety of marine transportation in the Arctic, and to further strengthen marine incident prevention, preparedness and response in waters south of the 60th parallel.
- Budget 2015 proposes allocating \$23 million over five years from Natural Resources Canada to stimulate the technological innovation needed to separate and develop rare earth elements and chromite.
- Budget 2015 proposes \$42 million over five years to expand the footprint and resources of the Trade Commissioner Service (TCS). The TCS is a dedicated, professional group of employees that provide important support to Canadian businesses abroad, including in the mining sector, one of Canada's largest outward investors.

New! A Northern Vision: Building a Better North

Canada's territorial Premiers have renewed their collaborative vision for the North at the Northern Premiers' Forum in Yellowknife last fall. The report is now available.

[*A Northern Vision: Building a Better North*](#) outlines a vision for the North shared by the governments of the Northwest Territories, Yukon and Nunavut. It will help the territories to continue working together to ensure the North is a region of vibrant, healthy communities with sound economies and diverse opportunities, and where the environment is protected for future generations.

"Much has changed in the North since *A Northern Vision* was originally released seven years ago," said Northwest Territories Premier Robert McLeod. "Political changes through NWT devolution and the settlement of modern treaties and self-government agreements mean that northerners are taking greater control of their own destinies. The federal government's *Northern Strategy* has brought greater focus to the North and its potential, while Canada's Chairmanship of the Arctic Council has increased international attention."

Yukon Premier Darrell Pasloski said: "I am committed to working with my territorial counterparts to create a stronger North. We have reinforced this commitment by renewing *A Northern Vision*, a document outlining our shared priorities of energy, infrastructure, governance and productive and engaged citizens. Our priority is to ensure continued economic growth in Canada's North for the benefit of northerners and all Canadians."

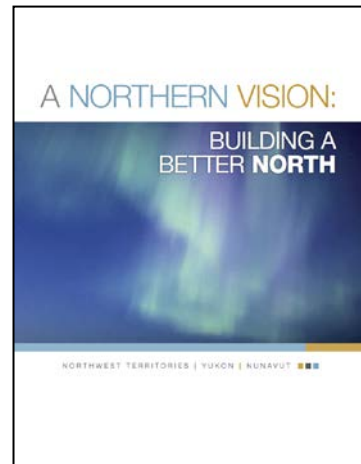
Nunavut Premier Peter Taptuna said: "I welcome an updated version of *A Northern Vision* as Nunavut is committed to building a stronger North with healthy and self-reliant residents. Nunavut has grown and evolved since the original document was released seven years ago. I believe a renewed focus on energy, infrastructure, governance and responsible resource development can benefit all three territories, their citizens and the rest of Canada."

The renewed vision is based on four strategic pillars. *Productive and Engaged Citizens* highlights the territorial governments' support for healthy and self-reliant residents, including a strong education system and practical skills training.

Energy speaks to the need for reliable and affordable energy systems in order to reduce the cost of living for residents and businesses, and to unlock the North’s substantial resource wealth.

Infrastructure describes the need for robust, reliable infrastructure as the basis for strong communities and resilient economies. Improved transportation systems, including roads, airports, northern ports and coastal access, are essential for improving the quality of life of northern residents.

Governance supports the steps territories are taking to control their environmental, economic, social and political destinies. Partnerships with Aboriginal and Inuit governments and groups are key to this work, as land, resources and self-government agreements continue to be achieved. A significant accomplishment in this area was the devolution of province-like powers to the Government of the NWT on April 1, 2014.



Responsible environmental stewardship supports each of these pillars, recognizing that the land is central to the North’s cultural identity.

Northern Premiers originally released *A Northern Vision: A Stronger North and a Better Canada* in 2007. Given changes in the North since then, the Premiers committed at the 2013 Northern Premiers’ Forum to review and update the document.

The previous *Northern Vision* resulted in pan-territorial cooperation in the areas of climate change and energy. In 2011, Northern Premiers published *Paths to a Renewable North: A Pan-Territorial Renewable Energy Inventory* and the *Pan-Territorial Adaptation Strategy: Moving Forward on Climate Change Adaptation in Canada’s North*, which led to the three territories co-hosting the 2013 Pan-Territorial Permafrost Workshop.

Diavik Annual SD Report Available

Click [here](#) or on the report thumbnail to download the latest Sustainable Development Report from Diavik.



Welcome New Members!

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

- **Kaizen Discovery Inc.** is a Canadian technology-focused, mineral exploration company. The company's long-term growth strategy is to work with Japanese partners to identify, explore and develop high-quality mineral projects that have the potential to produce and deliver minerals to Japan's industrial sector. Kaizen has begun exploration activities at the Coppermine Project, an early-stage, district-scale exploration play located near Kugluktuk, Nunavut. Kaizen controls 100% of the project following its acquisition of Tundra Copper Corp. For more information visit: www.kaizendiscovery.com.

Calendar of Events

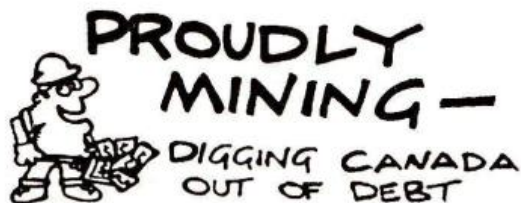
- **NWT Mining Week**, June 8-13, 2015, Yellowknife. Mining Week recognizes the value of mining to the Northwest Territories, and highlight is the Annual Mine Rescue Competition on June 12-13, and the free to the public Miners Picnic on June 13. Both events are held at the Yellowknife Community Arena parking lot.
- **North of 60° – Advancing the Natural Resource Industry in the Far North**, June 11-12, 2015, Yellowknife Inn, Yellowknife, NT. Click [here](#) to learn more and to register.
- **43rd Annual Geoscience Forum**, November 24-26, 2015, Yellowknife, NT. Join us at the largest mining and petroleum conference and tradeshow in the Northwest Territories. The joint initiative of the NWT & Nunavut Chamber of Mines and the Government of the NWT's Department of Industry Tourism, and Investment attracts many hundreds of delegates and exhibitors excited to share their knowledge, to learn from others, and to show off their wares. For more information visit www.geoscienceforum.com and contact officemanage@miningnorth.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 June 2015, [Kaizen Discovery announces retirement of Chief Financial Officer and appointment of Interim Chief Financial Officer](#)
- 29 May 2015, [Tyhee Announces Resignation of Richard B. Evans from Board of Directors](#)
- 29 May 2015, [Galaxy Broadband Announces Long Term Agreement for Ka-Band Capacity on Telesat's Anik F2 Satellite](#)
- 28 May 2015, [Kivalliq Energy provides Nuclear Energy Articles of Interest](#)
- 28 May 2015, [North Arrow Announces Closing of \\$4 Million Private Placement](#)
- 28 May 2015, [De Beers Canada Congratulates Northwords on 10 Years of Promoting Literacy in the NWT](#)
- 27 May 2015, [Avalon Closes Public Offering for Gross Proceeds of \\$4 Million](#)
- 27 May 2015, [Kennady Diamonds Drills 194 meters of Kimberlite at Kelvin](#)

- 26 May 2015, [Dominion Diamond Corporation's Fiscal 2016 First Quarter Results to be released Wednesday, June 10, 2015](#)
- 26 May 2015, [Platinum Group Metals added new corporate presentation](#)
- 25 May 2015, [MMG releases 2014 Sustainability Report](#)
- 21 May 2015, [Dominion Diamond Corporation Reports Fiscal 2016 First Quarter Sales and Production Results](#)
- 20 May 2015, [West Melville Consolidates Share Capital](#)
- 20 May 2015, [Tyhee Provides Audit Status Progress](#)
- 20 May 2015, [Sabina Gold & Silver Announces Positive Feasibility Study on Back River Gold Project, Nunavut](#)
- 19 May 2015, [Kennady Diamonds Intersects 73 meters of Kimberlite at Faraday 2](#)
- 19 May 2015, [TerraX announces Non-brokered Private Placement of \\$3.49 Million](#)
- 14 May 2015, [Peregrine announces completion of RC drilling portion of 2015 diamond resource development program at Chidliak](#)
- 13 May 2015, [North Arrow Announces \\$3 Million Private Placement](#)
- 13 May 2015, [Kennady Diamonds Intersects 68 meters of Kimberlite at Faraday 2: Pipe-like Kimberlite Discovered at Faraday 1](#)
- 13 May 2015, [TerraX announces Private Placement of \\$2.5 Million and sale of option on 1.0% NSR for \\$1 Million to Osisko; drills 14.09 m @ 2.96 g/t Au at Northbelt](#)
- 7 May 2015, [Mountain Province Diamonds Welcomes Société Générale to Lending Syndicate](#)
- 6 May 2015, [Kivalliq Announces Fully Funded 2015 Exploration Programs at Angilak and Hatchet Lake](#)
- 6 May 2015, [Tyhee announces final closing of non-brokered unit private placement](#)
- 6 May 2015, [Fortune Minerals and POSCAN complete sale of Arctos coal licenses to BC Rail with a 10-year repurchase option](#)
- 5 May 2015, [Positive results from underground diamond drill program at Prairie Creek](#)
- 5 May 2015, [North Arrow Reports Final Diamond Recoveries From Qilalugaq Bulk Sample](#)
- 5 May 2015, [Tyhee provides audit status progress](#)
- 5 May 2015, [High costs and lack of infrastructure inhibiting exploration and mining development in Canada's North: Study](#)
- 1 May 2015, [Kennady Diamonds Updates Kennady North Drill Program](#)
- 30 April 2015, [Kivalliq Closes Final Tranche of Cdn\\$2,779,119 Private Placement](#)
- 30 April 2015, [Agnico Eagle Reports First Quarter 2015 Operating and Financial Results - Strong Operational Performance Drives Record Gold Production and Low Costs - Amaruq and Kittila Drill Programs Yield Positive Results](#)
- 30 April 2015, [Avalon Announces Public Offering of up to \\$5 Million](#)



Mines & Promising Northwest Territories Mine Projects

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

Project Name	Owner(s)	Commodity	Description	Status
Ekati Mine	Dominion Diamond Corporation , Chuck Fipke and Stu Blusson	Diamonds	Canada's first and largest diamond mine, 310 km. NE of Yellowknife. Open pit and underground. Mine life to 2020. Workforce approximately 1,400. Nov 6, GNWT approved Dominion Diamond Ekati Corporation's surety bond as security for approximately \$253 million under its Ekati water licence.	May 21 news release: Dominion Diamond Corporation Reports Fiscal 2016 First Quarter Sales and Production Results. The mine plan for the first quarter was adapted to take into account changes required to offset the Koala Underground conveyor belt failure that occurred in the previous quarter. However, good progress has been made and it is currently expected that the shortfall in the Koala ore that occurred will be made up by end of Q2 this year. Underground production for Koala and Koala North for the quarter was ahead of plan, driven primarily by higher productivity. In addition, the extraction of material from Koala North is expected to be completed in the second quarter. Surface mining activities during the quarter were impacted by unusually extreme winter conditions but prioritizing the waste stripping at Misery has meant that the Misery Main ore release remained essentially on schedule. A new excavator was commissioned earlier this month to ensure that ore release from Pigeon will remain on schedule. The Sable bulk sample and Jay drilling programs were completed on schedule and processing of the material is progressing as planned. Plant performance during the quarter was lower than planned, driven by unusually severe winter conditions creating material handling issues and lower than planned availability for the high pressure roll crusher. The installation of additional grease tables and other recovery improvement initiatives progressed as scheduled.
Ekati Jay Project	Dominion Diamond Corporation ,	Diamonds	The Ekati Jay project is in Environmental Assessment. Ekati mine life currently ends in 2020, but if mining of the Jay pipe is approved, mining could be extended 10 yrs.	Technical Hearings on the project were held in Yellowknife the week of April 20.
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. Work to develop new A21 open pit has begun and will cost US\$350m over 4 years. Workforce approximately 1,000. To Dec 31, 2013, the mine produced approximately 84 M carats of diamonds from the processing of approximately 22 M tonnes of kimberlite.	May 21 news release: Dominion Diamond Corporation Reports Fiscal 2016 First Quarter Sales and Production Results. Processing volumes in the first fiscal quarter of 2016 were 27% lower than the same quarter of the prior year, which was principally as a result of three factors. Firstly, additional stockpile ore was available and processed during the comparable quarter of the prior year which was fully exhausted in fiscal 2015. Secondly, production was negatively impacted as mining progressed through an area of higher than normal dilution in the A-418 ore body, which reduced ore availability from this pipe. The high dilution is a result of minor geotechnical rock falls encountered

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				last year. Thirdly, during the quarter there were upgrades to the crusher plant to improve throughput, which led to a reduction in processing capacity. Diamonds recovered in the first fiscal quarter were 18% lower than the same quarter of the prior year due to the lower volume of ore available for processing as described above.
Snap Lake Mine	De Beers	Diamonds	Canada's first all underground diamond mine. 220 kilometres NE of Yellowknife. Mine life to 2028. Workforce approximately 750.	On Oct. 31, the water license amendment environmental assessment received GNWT approval to proceed to permitting.
Cantung Mine	North American Tungsten	Tungsten, copper	Cantung is in the mountains of western NWT, ~300 km by road NE of Watson Lake, Yukon. Cantung Life of Mine Extended Beyond the end of 2017. Over the past 3 years, NTC has extracted over 1.4 million tons of ore at Cantung; yet their probable reserve estimates over that period have increased from the 1.69 million tons reported in 2011 to our current estimate of 1.82 million tons.	March 31 News Release: NTC Announces Update on the Cantung Dry Stack Tailings Facility and Reclamation Plan
Gahcho Kué	De Beers & Mountain Province	Diamonds	Proposed open-pit diamond mine approximately 180 km ENE of Yellowknife, NWT. Estimated mine jobs: 400. Mine life increased from 11-12 years in 2014 Feasibility Study. First production on schedule for Q3 2016. Peak construction workforce 700.	May 7 news release: Mountain Province Diamonds Inc. welcomes Société Générale to Lending Syndicate - Overall Gahcho Kué Project Development more than 60 percent Complete and remains on schedule for first production during H2 2016 and is forecast to be completed within budget. Following the successful completion of deliveries of equipment and supplies on the 2015 ice road the focus is now on the mobilization of contractors for the construction of major facilities such as the processing plant. There are currently approximately 300 personnel on site and this number is expected to increase to over 500 in the next six months as construction peaks.
Nechalacho	Avalon Rare Metals	Rare earth metals	Proposed underground mine 100km SE of Yellowknife. Estimated mine jobs: 200. The Company remains optimistic that rare earth demand will recover sufficiently in 2015 to attract Project financing and allow construction work to begin by summer 2015.	News Release April 29, 2015: Avalon Announces Public Offering of up to \$5 Million
NICO	Fortune Minerals Ltd.	Cobalt-gold-bismuth-copper	Proposed open pit and underground mine located 50 km NE of Wha Ti. Estimated mine jobs: 150	April 1 News Release: Fortune Minerals Releases 2014 Annual Financial Results
Prairie Creek	Canadian Zinc Corporation	Zinc-lead-silver	Proposed underground mine 120 km W of Ft. Simpson. Estimated mine jobs: 220 All permits now in place to construct and operate the mine. Preliminary Feasibility Study scheduled to be completed later in 2015. The company has submitted proposal to construct a new airstrip and all-weather road for environmental approval.	News Release March 27: New Mineral Resource Update At Prairie Creek Mine: Measured + Indicated and Inferred Resource Tonnages Increased, and Underground Exploration Drilling Program Underway. News Release March 31: Canadian Zinc Reports Financial Results for Fiscal 2014
Yellowknife Gold	Tyhee Corp	Gold	Proposed open pit and underground mine of 2 deposits (Ormsby and	News Release May 20: Tyhee Provides Audit Status Progress. This Report confirms that

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			Nicholas Lake) about 90 km NE of Yellowknife. Estimated 4,000 tpd. Est. mine jobs: 238	Tyhee is continuing to secure funds for work on the audit of the Corporation's 2014 Annual Audited Financial Statements, however there is insufficient time for the auditors to complete the audit and for these statements to be filed on or before May 30, 2015. In addition, the Corporation is completing its Interim Financial Statements and MD&A for the three months ended February 28, 2015 and anticipates filing these documents after filing the 2014 Annual Audited Financial Statements. News Release May 29: Tyhee Announces Resignation of Richard B. Evans from Board of Directors
Pine Point	Tamerlane Ventures	Lead-zinc	Company proposes underground mine E of Hay River, NWT using freeze technology for water management. Est mine jobs: 225	News release March 28: Tamerlane receives positive NI 43-101 updated summary technical report for Pine Point. Company is in receivership.
Courageous Lake	Seabridge Resources	Gold	Proposed open pit mine 240 km NE of Yellowknife. 6.5 M oz proven and probable reserves. (Positive PFS July 2012)	New 5-year land use permit issued December 28 to allow up to 700 drill holes. In the 9 months of 2013, Company incurred \$5.3 M in exploration costs to complete the winter and spring exploration and drilling programs and assess the results of those programs.
Selwyn	Selwyn Chihong	Zinc, lead	Proposed underground mine in Yukon on NWT border and access is through NWT. Agreements signed with NWT (Sahtu) Aboriginal land corporations.	Selwyn Chihong has acquired full control of the project from Selwyn Resources .



Goose Camp, at Sabina's Back River Gold Project


Mines & Promising Nunavut Mine Projects

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

Project	Owner(s)	Commodity	Description	Status
Meadowbank Gold Mine	Agnico Eagle Mines	Gold	In operation since 2010. Open pit mine located in the Kivalliq Region, 300 km west of Hudson Bay and 70 km N of Baker Lake. Mine jobs: 736 Exploring potential satellite deposit called Amaruq, 30km from mine site.	April 30 release: Agnico Eagle Reports First Quarter 2015 Operating and Financial Results - Strong Operational Performance Drives Record Gold Production and Low Costs - Amaruq and Kittila Drill Programs Yield Positive Results
Mary River Iron Mine	Baffinland Iron Mines	Iron	In operation since September 2014; Open pit mine located 936 km N of Iqaluit with 5 known deposits. Estimated construction jobs: 3,500-5,000. Estimated mine jobs: 715	Production from Early Revenue Phase (ERP) began September 8, 2014. First marine shipment of ore to markets anticipated May 2015. Baffinland has proposed a Phase 2 project with increased production and shipping to help with tough market conditions. Unexpectedly, for the first time in its 20 year history, the Nunavut Planning Commission declared unanimously that the amended proposal does not conform to the North Baffin Regional Land Use Plan (NBRLUP). The company has asked AANDC Minister to exempt the project from the Land Use Plan something the Minister has power to do.
Doris North/ Hope Bay	TMAC Resources	Gold	Proposed gold mines 130 km S of Cambridge Bay; covers the majority of the Hope Bay Greenstone Belt. Estimated mine jobs: 485 NIRB recommends approval of Type A Water License renewal for 10-year period on August 16, 2013; Pending 2014 results; Plans to begin production by late 2016.	News Release April 1: TMAC Resources, KIA and NTI Sign Landmark Land Tenure Agreements for the Hope Bay Belt, Nunavut April 27 news release: TMAC Resources Completes Robust Pre-Feasibility Study on the Hope Bay Gold Project, with a projected 20-year mine life.
Meliadine Gold	Agnico Eagle Mines	Gold	Proposed open pit and underground gold mine, 25 km NE of Rankin Inlet. The Meliadine project was acquired in July 2010, and it is the Company's largest development project based on reserves and resources. The Company has a 100% interest in the 111,757 hectare property, which is linked to the town of Rankin Inlet by a 25 kilometer all-weather access road. Estimated construction jobs: 1,000 Estimated mine jobs: 700	March 12 news release: Agnico Eagle completes updated NI 43-101 technical report on the Meliadine gold project in Nunavut.
Kiggavik	AREVA Resources	Uranium	Proposed uranium mine 80 km W of Baker Lake. Estimated Construction jobs: 750 Estimated mine jobs: 600	NIRB Final Public Hearings were held March 2-20 in Baker Lake. NIRB decision expected on May 8, 2015.
Back River	Sabina Gold & Silver Corp.	Gold	Approximately 60KM from Hackett River; adjacent to the Wishbone Greenstone belt. Consists of the George and Goose Lake deposits and holds significant gold resources. Estimated construction jobs: 1,600 Estimated mine jobs: 900	News Release May 20: Sabina Gold & Silver Announces Positive Feasibility Study on Back River Gold Project, Nunavut.
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	PFS initiated in September, 2012. No activity reported in 2015.

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			Estimated mine jobs: 500	
Izok Corridor Project (with High Lake & Hood River deposits)	MMG Resources Inc.	Copper, Zinc, Gold, Silver	High Lake is 1710 hectare, copper-zinc-silver-gold property, 190 km ESE of Kugluktuk. Izok is high-grade zinc-copper-lead-silver deposit, 255 km SW of Kugluktuk. Estimated construction jobs: 1,140 Estimated mine jobs: 710	MMG examining alternative designs to reduce costs, add value, and improve economic viability of the project. Company stated publicly that project needs infrastructure assistance to become a mine.
Roche Bay	Advanced Exploration Inc.	Iron	Over 500 mt of Indicated Resources within 6 km of a natural deep water harbour at Roche Bay. Estimated construction jobs: 450 Estimated mine jobs: 370 - 380	Positive FS August 10, 2012. AEI and Parkson Star of Hong Kong signed MOU, May 17, 2014 to create JV Savik Iron Mines. Now working towards DEIS.
Chidliak	Peregrine Diamonds Ltd.	Diamonds	Located located 120 kilometres NE of Iqaluit, the capital of Nunavut, and 180 km S of Pangnirtung. 68 kimberlites have been discovered to date with 8 being potentially economic.	News release May 14: Peregrine Diamonds Ltd. is pleased to announce the completion of the large diameter reverse circulation drilling component of its 2015 Diamond Resource Development Program at its 100 percent-owned Chidliak diamond project.
Angilak	Kivalliq Energy Corp.	Uranium	340,268 acre property located SW of Baker Lake; Hosts the high-grade Lac 50 Trend deposit. Kivalliq acquired property in 2008; 89,500 m on exploration and resource drilling to date; \$55 M on exploration expenditures to date; 13 new uranium zones discovered; Inferred resource 43.3 M lbs. U308 in 2.8 M tonnes grading .69% at .02% cutoff.	News Release April 30: Kivalliq Closes Final Tranche of Cdn\$2,779,119 Private Placement. Kivalliq will use the net proceeds from this Placement for corporate purposes, as well as to fund mineral exploration in Saskatchewan and the Nunavut Territory, Canada. News Release May 6, 2015: Kivalliq Announces Fully Funded 2015 Exploration Programs at Angilak and Hatchet Lake
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 May 5: North Arrow Reports Final Diamond Recoveries from the Qilalugaq Bulk Sample News release May 13: North Arrow Announces \$3 Million Private Placement
Lupin & ULU	WPC Resources	Gold, silver	Located SE of Kugluktuk. Lupin mine: past production; 3.7 M oz. ULU deposit: indicated mineral resource; 751,000 tonnes	WPC news release January 19: WPC Resources to Acquire 100% Lupin Gold Mine and the Ulu Gold Project.



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Project Maps

