



NEWS RELEASE

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Chamber of Mines Calls for Enactment of Nunavut Legislation

Iqaluit, Nunavut, April 13, 2010

At the Nunavut Mining Symposium, held today in Iqaluit, the NWT & Nunavut Chamber of Mines called for the enactment of the proposed *Nunavut Planning and Project Assessment Act* (NUPPAA) as soon as possible.

In a presentation to the Symposium, Chamber of Mines President John F. Kearney said, *“The minerals industry gives its full support to the initiative that the Minister of Indian Affairs and Northern Development, Chuck Strahl, and the Government of Canada, is taking with this draft Bill to fulfill the obligations under the Nunavut Land Claims Agreement by setting out in the Act the powers, functions, objectives and duties of the land and resource management institutions of public government created under the Land Claims Agreement.*

“The minerals industry appreciates having been given the opportunity to comment on the draft Bill and, while it may not meet all of industry’s desires in establishing an efficient regulatory process, it is important that the legislation be enacted without any further delay in this session of Parliament to encourage continued mineral exploration and facilitate the responsible development of Nunavut’s considerable mineral endowment” added Mr. Kearney.

Over the past five years Nunavut ranked fourth or fifth among Canada’s eleven Provinces and Territories in exploration and deposit appraisal expenditures and was thus ranked above its economic weight, behind only Ontario, Quebec, BC and Saskatchewan, and way ahead of both the NWT and Yukon. For the five years 2005 to 2009, total exploration and appraisal expenditure in Nunavut was \$1.3 Billion, more than twice that of the NWT at \$642 million and Yukon at \$ 500 million.

Mineral exploration in Canada declined significantly in 2009, based on figures published by NRCAN. Estimated exploration expenditure in 2009 was \$1.74 billion, representing a 45% decline from the high of \$3.2 billion in 2008. The decline was all across Canada in all Provinces and Territories. In Nunavut exploration expenditure was down 60% to \$189 million from \$433 million in 2008. This was the second largest decline across all of Canada, behind only the NWT which suffered a massive 81% decline in exploration expenditures.

For 2010, NRCAN's preliminary estimates show expected exploration expenditure in Nunavut at \$238 million, which will represent a 25% increase from 2009, and Nunavut will maintain its fourth place ranking behind the Provinces of Ontario, Quebec and Saskatchewan, at about the same level as BC, and again way ahead of the Yukon and NWT. Most of the exploration expenditures will be for gold at \$150 million, with \$30 million exploring for uranium, \$20 million for base metals and \$ 40 million for other minerals, including diamonds at \$8 million. Senior companies are expected to invest \$148 million and juniors \$ 90 million.

“It is critically important that Canada’s Governments - Federal, Territorial and Aboriginal - maintain and enhance their dedication to economic development. Advocacy for northern resource development, for more open access to minerals, for infrastructure projects and for tax incentives to encourage increased investment, should remain a fundamental mandate at all levels of Government” added John Kearney.

“Mine ministers are needed more than ever to promote and protect the minerals industry and we recognize and acknowledge Nunavut Deputy Premier Peter Taptuna, Minister of Economic Development and Transportation for all the support he has shown for the minerals industry in Nunavut.”

The minerals industry would also like to see the Nunavut Land Use Plan finalized as soon as possible.

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