



## NEWS RELEASE

**For Immediate Release**

### **Mineral Exploration Declining in Northwest Territories**

#### **Aboriginal Support for Regulatory Improvements**

#### **Government Investment in Infrastructure**

Yellowknife, Northwest Territories, April 15, 2010.

At the Annual General Meeting of the NWT Chamber of Commerce, held today in Yellowknife, the NWT & Nunavut Chamber of Mines noted that mineral exploration in the Northwest Territories has declined significantly in the past two years and is falling way below other Territories and Provinces.

Exploration expenditures in 2009 in the NWT were estimated by Natural Resources Canada at \$29.5 million, down a staggering 80% from \$148 million in 2008, by far the largest decline in Canada. This is the lowest level since at least 1993 and represents only 1.7% of Canadian exploration expenditures for almost 20% of Canada's landmass. In 2006 exploration expenditure in the NWT represented about 9.2% of the total across Canada. Expenditures in Nunavut in 2009 were \$189 million, and in the Yukon were \$75 million, which is the first time in 15 years that the Yukon has seen more exploration expenditure than the NWT.

Over the past five years the NWT has dropped from sixth among Canada's eleven Provinces and Territories in 2005 in exploration and deposit appraisal expenditures to seventh in 2008 and eight in 2009, ahead of only Nova Scotia and New Brunswick, and way behind Nunavut. For the five years 2005 to 2009, total exploration and appraisal expenditure in the NWT was \$642 million, less than half that of Nunavut at \$1.3 Billion, and only marginally ahead of the Yukon at \$500 million, but the Yukon passed the NWT in 2009 with expenditures of \$75 million, more than double the NWT at \$29.5 million.

For 2010, NRCAN's preliminary estimates show expected exploration expenditure in NWT at \$66.3 million, which will represent more than a 100% increase from 2009, but at 3.1% of the Canada total the NWT will still remain eight ranked among the Provinces and Territories. However of the projected \$66.3 million, it seems \$36 million is projected for diamond mine appraisal, and presumably represents the feasibility study on Gahcho Kue, so actual projected

pure exploration is again only about \$30 million. Expenditures in Nunavut for 2010 are estimated at \$238 million and the Yukon again at \$75 million.

As the Guest Speaker at the Chamber of Commerce AGM Luncheon, **John F. Kearney, President of the NWT & Nunavut Chamber of Mines** said;

*“Unfortunately, the NWT is getting a reputation as a difficult place to gain land access for exploration or to get permits for mining projects, or even for basic exploration programs, or to get permits within a reasonable time. There are significant problems with resource development in the NWT today”.*

*“There can be no certainty that in the future the NWT mining industry will attract global investment capital. Aboriginal communities and governments have an important and essential role to play in providing elements of that certainty, in promoting development, in ensuring certainty of permitting, certainty of consultation, certainty of timelines”* added Mr. Kearney.

The Government of the NWT has a leading role to play in advocacy for Northern Development, for more open access to minerals, for infrastructure project development, and for tax incentives to encourage increased investment.

Infrastructure investment is needed in roads and power. Strategic investments in infrastructure and electrical capacity would open up new regions for exploration and development. To reap the mineral wealth of the NWT the responsibility for the leadership role in infrastructure development lies squarely on Government.

*“There should be no embarrassment in asking, indeed insisting, that the Federal Government provide or arrange the major capital investment in infrastructure for resource development because all of Canada will benefit. I cannot think of any better way of asserting sovereignty in Canada’s North than ensuring resource development”* said Mr. Kearney.

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