

# Northern Mining News

Volume 6, No. 6

June 2013



## In this issue:

Bill C47 (NUPPAA & NWTSRBA) receives Royal Assent = new northern Acts.....	2
A day that will go down in NWT history – devolution deal signed.....	3
Heads up - Fed’s release “Forward Looking” regulatory plan .....	6
Territorial Mine Rescue Teams show their stuff! .....	7
And Mining Week celebrates our industry success.....	9
Baffinland submits lower tonnage trucking phase for review.....	10
Gahcho Kué Joint Venture & GNWT sign Gahcho Kue Socio-Economic Agreement.....	11
Rio Tinto opts to retain diamonds business – no sale of world class Diavik .....	12
MMG considering alternative design for Izok Corridor Project.....	12
Canadian Zinc receives two key land use permits for mine .....	13
New investor will help advance Fortune’s NICO Project .....	13
Tli Cho and Yellowknives Dene Chiefs Elected.....	14
Northern geoscientists honoured as “Fellows” .....	14
New Report: Ernst & Young's annual <i>Business Risks Facing Mining and Metals</i> .....	15
New PwC Report: <i>Mine: A confidence crisis</i> .....	16
But ... new global mining giant CEO optimistic about future of mining .....	17
Increased German interest in NWT projects .....	19
Map of Top 100 Exploration Projects .....	20
Delivering on the mandate for the Canadian High Arctic Research Station.....	20
Edézhíe protected area withdrawal renewed .....	21
Member News Releases this past month .....	22
Welcome New Members!.....	24
Calendar of Events.....	24
Mines & Promising Northwest Territories Mine Projects.....	25
Mines & Promising Nunavut Mine Projects.....	26
Detailed deposit map on website .....	27
Project Maps.....	28

## From the Executive Director ...

We have a full newsletter this month! Highlights include Royal Assent of Federal Bill C-47 bringing into law NUPPAA and the NWT Surface Rights Board Act and, in a historically significant event, the final signing of the NWT Devolution Agreement which will transfer non-renewable resources to a new landlord, the NWT Government.

Spring has brought our annual NWT Mining Week and the Territorial Mine Rescue Competition (check out the photos). Two new reports on global market challenges ... but in the face of that adversity, positive news several of our northern projects.

Happy reading. ... TWH

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

## **Bill C47 (NUPPAA & NWTSRBA) receives Royal Assent = new northern Acts**

Bill C-47 received Royal Assent on June 19, concluding the lengthy process to bring the Nunavut Project Planning and Assessment Act into being. This is Nunavut's first dedicated environmental legislation, created by the Nunavut Land Claims Act of 1993. Bill C47 also makes law the NWT Surface Rights Board Act, a Federal commitment also made under land claims that same year, 1993.

### ***Nunavut Premier happy; Minister says NUPPAA Boosts Responsible Resource Development***

The implementation of the Nunavut Land Claims Agreement has taken another important step forward with new federal legislation that will strengthen the timely and effective review of development projects throughout the territory.

The Nunavut Planning and Project Assessment Act is part of Bill C-47 that received royal assent. It supports the work of the Nunavut Impact Review Board and the Nunavut Planning Commission – two institutions that are essential in involving Nunavummiut in decision-making over their land and resources.

“The Nunavut Planning and Project Assessment Act builds transparency and certainty that will allow the Government of Nunavut to take on the management of lands and resources without disrupting development and the benefits it brings,” said Premier Eva Aariak. “We were pleased to participate in every stage of developing this federal legislation.”

The legislation cuts down on duplication by creating a single process for the Nunavut Planning Commission and the Nunavut Impact Review Board to review development proposals. It sets out in law their powers and timelines for making important decisions. The bill also ensures that the Government of Nunavut and Inuit have a role in approving land-use plans in Nunavut.

“The new legislation is a boost to responsible resource development and economic growth in Nunavut,” said Peter Taptuna, Minister of Economic Development and Transportation.

“Communities and industry have more certainty now about how decisions are made and how long they will take. This is essential to attracting new investment and the jobs that go along with it.” ... (*Courtesy Government of Nunavut [news release](#)*)

### ***NWT Surface Rights Board to efficiently resolve land-access disputes***

The NWT Government also welcomed news that the federal *NWT Surface Rights Board Act* received royal assent. “This legislation fulfills a commitment in the Tlicho, Gwich'in and Sahtu land claims,” said Minister of Environment and Natural Resources Michael Miltenberger. “It creates a board of NWT residents who will resolve disputes between land owners and those who want access. Almost all of our land matters can be dealt with through existing processes. But in the rare cases where there are disputes between surface and subsurface rightsholders, this board will avoid costly, lengthy court cases. This is an important step in completing the regulatory system in the NWT and new territorial legislation will maintain the board's role after devolution.”

The new board provides consistency and a fair process for all NWT landowners and occupants, such as leaseholders on Crown lands. It will replace the temporary arbitration systems that

were set up under the Tlicho, Sahtu and Gwich'in land claim agreements for settlement lands. Both Nunavut and Yukon have had similar surface rights legislation for several years. Only one dispute has been heard.

The regional arbitration panels throughout the NWT will maintain their current responsibilities under the land claim agreements, but will no longer be required to deal with surface and subsurface access disputes. The new board will serve all NWT residents, whether they live on private, settlement, or leased public lands.

During consultations on the bill, the GNWT [presented](#) to the Standing Senate Committee on Energy, the Environment and Natural Resources. A map showing major surface and subsurface rights holders in the NWT is available [here](#).

*[Federal backgrounder: NWT Surface Rights Board Act](#)*

*[Federal FAQ: NWT Surface Rights Board Act](#)*

... (Courtesy Government of NWT [news release](#))

### **A day that will go down in NWT history – devolution deal signed**

On June 25, in an historic signing ceremony held in Inuvik, NWT, the Premier of the Northwest Territories Bob McLeod and the Hon. Bernard Valcourt, Federal Minister of Aboriginal Affairs & Northern Development Canada (AANDC) signed the final devolution agreement, which will see responsibilities for non-renewable resources transferred from the Federal to the Territorial government. Also signing the agreement were representatives from the four Aboriginal groups that have signalled their support, the Inuvialuit, Gwich'in, Sahtu, Tlicho and Northwest Territory Metis Nation.

Under devolution, the NWT Government will collect the same royalties that the current AANDC landlord collects. But as an added benefit, Aboriginal groups with signed land claims will receive 25% of those royalties. This adds to royalties they have already been receiving over the past 10 plus years under their land claim agreements (see previous story in April 2012 Chamber newsletter).

Following is the speech made by Premier Bob McLeod at the signing ceremony:

*Thank you. Minister Valcourt, Ms. Cournoyea, Mr. Alexie, Mr. Bailey, Ms. Blondin-Andrew, Chief Daniels, Ministers, MLAs and ladies and gentlemen....*

*I could not be more proud and more hopeful than I am today.*

*This is a big day. This is a day that will go down in history. This is a day that will be remembered by generations to follow us.*

*This is a day of hope and a day for celebrating our future. Today we embark on a critical transformation – one that by the transfer date of April 1, 2014 will give all of us, the people of the Northwest Territories, the tools and authority we need to exercise our stewardship of this land, shape our future and control our destiny for ourselves, our children and our grandchildren.*

*I am pleased to be here in Inuvik tonight. This is the most appropriate place for the people of the Northwest Territories to be coming together to take the next step in the history of our territory.*

*When Prime Minister John Diefenbaker traveled here in 1961 he spoke about nation building, about how Sir John A. MacDonald had sparked the imagination of Canadians with a vision of a greater Canada extending from sea to sea. As the first Prime Minister to travel north of the Arctic Circle, Prime Minister Diefenbaker was proud to enlarge on MacDonald's dream with the vision of an even bigger Canada, a Canada that reached from sea to sea to sea.*

*He spoke of the cooperation between governments and cultures that built this town and the history that would be made here in years to come. Inuvik, he said, was "a promise made to the future of the north and its people, and to Canada."*

*Tonight, we are seeing that promise come true.*

*When I think about the significance of today's agreement, I do not think only of the past, of today's place in constitutional history, of this day's significance in the historical catalogue of important dates. When I think of today, I think of the future.*

*As I noted when I met with Prime Minister Harper, on the day we formally concluded our negotiations on Devolution: This is a day of hope.*

*Today, I think about the future. About our children and grandchildren who will shape our territory into something it has never before been.*

*We are fortunate to have a natural endowment – of minerals, of energy, of water – but more importantly, to have been endowed with such resourceful people.*

*Our people are what make the Northwest Territories special first and foremost. We are an icon – a testament – to the best of Canada. Our people are smart and enterprising.... Partnership and cooperation between our people and our governments is a way of life. Be it in our Legislative Assembly, or in our dealings with Aboriginal Governments, we operate on a basis – and according to a principle of – consensus.*

*Consensus – not antagonism or division or adversity. Consensus is what gives us strength. Diversity is what empowers us, and partnerships are what give us the tools to reach forward and bring our territory into its destiny.*

*It was here in Inuvik in 1970 that the Committee for Original Peoples Entitlement was formed to ensure that Inuvialuit had a voice in deciding their own future. With the signing of the Inuvialuit Final Agreement in 1984, the first comprehensive land-claim in the Northwest Territories, COPE ensured that Inuvialuit would become full participants in the economic and political life of this territory. It is an honour to share the stage tonight with one of the negotiators of that historic agreement, Chair of the Inuvialuit Regional Corporation Nellie Cournoyea.*

*That movement has been reflected across the Northwest Territories. The Gwich'in signed their claim just over 21 years ago now, in 1992, with the goals of protecting Gwich'in rights around land, water and resources, preserving Gwich'in traditions and values and enabling their people to become self-sufficient and full participating members in a global society.*

*Less than a year later, in 1993, the Sahtu Dene and Metis signed their own claim which sought to recognize and encourage a way of life based on the cultural and economic relationship with the land and ensure self-sufficiency and economic participation for their people. In 2003, the Tlicho signed the first combined land, resources and self-government agreement in the Northwest Territories. In 2012, the NWT Metis Nation signed a lands and resources agreement-in-principle and continue to work towards a final agreement that will secure the rights of their members.*

*Self-determination, economic participation and a voice in decision-making have been important features of each of these agreements and are critical features in the Devolution agreement we sign today. Devolution will extend and enhance the ability of the Government of the Northwest Territories and regional Aboriginal governments to serve the interests of their people and of the whole territory. Together, we will be able to create a strong and prosperous territory for all our residents.*

*Such shared responsibility is unique in Canada, but is a fundamental part of our identity and a fundamental part of this Devolution agreement. It took the participation and cooperation of Aboriginal governments to help forge this agreement and we will need them to help successfully implement it. This agreement will serve to further bolster the government-to-government relationships that we have and give the Government of the Northwest Territories and Aboriginal governments new opportunities for working together in the best interests of all our residents. With new authorities to make decisions about public lands and resources and new revenues for the public and Aboriginal governments, we will finally be in a position to achieve our true potential as a territory and fulfill our responsibilities as stewards of this land.*

*We are a small territory in population, fewer than 50,000 people. But we have immense wealth potential. We have oil. We have gas. We have rare earth metals. We have gold, silver and diamonds. We have hydro potential to rival James Bay. The Northwest Territories is a storehouse of the resources that the developed and developing world is seeking, as we move further into the Twenty-First Century.*

*As our governments sign today's Devolution agreement with the Government of Canada, we are entering the modern age. We are bringing to the people of the Northwest Territories the same possibilities that our southern neighbours have enjoyed for decades, for a century or more. We will be in a position to channel the natural wealth – and the dividends and royalties that come from it – to the needs and priorities of our public, responsibly and sustainably.*

*This is no small feat. We have significant challenges: a vast landmass, small communities separated by great distances, a cold and long winter, and few economies of scale. We know this. But we also know that we can thrive if given a chance to stand fully on our own two feet, with the resources and revenues that are due to us.*

*The Nineteenth Century in Canada belonged largely to Central Canada: the "the Canadas" – Upper and Lower Canada, Ontario and Quebec. That was the heartland. The Twentieth Century was a century of extension and growth, with the latter half shifting its wealth and attention to the West – the frontier of rugged ambition and ingenuity.*

*Today, I have no doubt whatsoever that the Twenty First Century belongs to the North.*

*We are increasingly the centre of resource development – the storehouse of what the world wants and needs. We are the stewards of a great expanse of Canada's landmass. We are on the front lines of climate change – we see it first, before the scientists and satellites and statisticians. We are also the preserve of traditional knowledge – of the wisdom of centuries of people who know, who understand how to manage a society and an economy in a sustainable and mutually respectful way. We will undertake balance resource development to create jobs and protect the environment.*

*We in the North have always been about partnership. It is in this vein that I thank Minister Valcourt for his partnership today and the Aboriginal governments that have joined with us, the Inuvialuit Regional Corporation, the NWT Metis Nation, the Sahtu Secretariat, Gwich'in Tribal Council and Tlicho Government. In that spirit of partnership, we look forward to welcoming federal staff who will be transferring to our government under Devolution, bringing their knowledge, skills and commitment with them.*

*I also thank Prime Minister Harper for his ongoing commitment to the North. He has demonstrated that through his support through the Inuvik to Tuktoyaktuk Highway, a project that is the next step toward the completion of the Mackenzie Valley Highway and unlocking the resource potential in this region and the Central Mackenzie. The Prime Minister's commitment to the North was also reflected in his personal willingness to finalize devolution negotiations, allowing us to arrive at this monumental moment.*

*We have not reached this moment on our own. This is an agreement formed and shaped by many hands. We have built on the work of the Intergovernmental Forum and the Aboriginal Summit. We have benefited from the leadership and initiative shown by former Premier Roland and former Federal Minister John Duncan in finalizing the Agreement-in-Principle in 2011. That we are here today is testament to the commitment and dedication of all the people who have pursued this dream, people who, to echo the words of Prime Minister Diefenbaker, made a promise to the future of the North.*

*I want to thank all those people who went before us, and all those people who stood beside us and worked in partnership to make that promise a reality. Our work is not done yet. There is plenty to do to prepare for the transfer of authorities next April. We will take on that challenge in the spirit of partnership and consensus that got us here and continue to work with the Dehcho First Nations and Akaitcho Territory Government to expand that partnership. The agreement we are signing today will propel us into our future – a future we will control, in partnership and respect. A future that will be successful and prosperous for all our people.*

### **Heads up - Fed's release "Forward Looking" regulatory plan**

The Canada Gazette is the official publication by the Government of Canada that publishes all laws and Orders in Council issued by the Government. It may also contain information on hearings and tribunals, proposed changes, or anything else the Government determines the public should know. Though the Gazette is not widely read, Industry needs to pay close attention, as once a law or regulation is noted in the Gazette, ignorance of it is no longer a legal defence.

For the most part, Industry is only able to access information about, or to comment on proposed regulatory changes once they are published in Canada Gazette. Generally, once a proposed bill hits Gazette Part 1, the public normally has 60 days to offer comment on the draft legislation (though the timeframes vary). Gazette Part 1 is published each Saturday and contains notices that are required to be published by Federal Statute or regulation, and offer an opportunity for the public to comment. However, time sensitive issues may pose a problem as content can take several days to appear in the Gazette, even though the proposed change has already come into effect. This can potentially limit Industry's participation in the consultation process.

To address this communications challenge, the Department of Aboriginal Affairs and Northern Development has created what's called a "Forward Regulatory Plan". According to the Government of Canada's website, a forward regulatory plan is "a public list or description of anticipated regulatory changes or actions that a department intends to bring forward or undertake in a specified time frame. It is intended to give consumers, business, other stakeholders and trading partners greater opportunity to inform the development of regulations and to plan for the future".

Some proposed regulatory initiatives of interest to the Northern Mining Industry for the next three years include (note they are hyperlinked):

- [Mackenzie Valley Land Use \(Regulations Amending Regulations\)](#)
- [Northwest Territories Reindeer \(Regulations Amending Regulations\)](#)
- [Northwest Territories and Nunavut Mining \(Regulations Amending Regulations\)](#)
- [Nunavut Mining \(Regulations Amending the Proposed Regulations\)](#)
- [Territorial Land Use \(Regulations Amending Regulations\)](#)
- [Territorial Quarrying \(Regulations Amending Regulations\)](#)

Staying abreast of what’s coming up in the Canada Gazette can help to ensure Industry’s voice will be heard on important issues.

### **Territorial Mine Rescue Teams show their stuff!**

On June 15, Northerners were able to witness the challenges mine rescue teams encounter, as they strove for excellence during the 56th Annual Mine Rescue Competition. While the top awards – the **Overall Surface** and **Overall Underground** – were won by Ekati and Diavik respectively, all of the teams are winners in their own right. Teams participating in this year’s event represented the EKATI, Diavik, Snap Lake and Cantung mines in the NWT; the Minto mine from Yukon; and the Meadowbank mine from Nunavut.

Mine rescue teams are a critical aspect of safety at our northern mines, and their members hone their skills continuously at their home mine sites. The Annual Mine Rescue Competition provides an opportunity for teams from often diverse and distant mines to get together in a friendly environment to tackle a variety of skill-demonstrating events. Some of the events are focused on underground operations, while others on surface mines. Ekati was the only mine that sent teams for both. The Ekati teams, along with the winning teams from the 2012 competition, compete in the Biannual Western Mine Rescue Competition, the largest in Canada, in Fernie, BC in September.

<b>56<sup>th</sup> TERRITORIAL MINE RESCUE COMPETITION EVENT WINNERS</b>	
<b>Overall Surface Winner (sponsor WSCC)</b>	Ekati Diamond Mine - Surface Team
<b>Overall Underground Winner (sponsor WSCC)</b>	Diavik Diamond Mine
First Aid (sponsor Rio Tinto)	Ekati Diamond Mine - Underground Team
Surface Practical Bench (sponsor BHP Billiton)	Minto Mine
Fire Fighting (sponsor Levitt-Safety)	Meadowbank Mine
Rope Rescue (sponsor Nuna Logistics)	Snap Lake Diamond Mine
Surface Written Test (sponsor WSCC)	Ekati Diamond Mine - Surface Team
Underground Written (sponsor BHP Billiton)	Diavik Diamond Mine
Surface Smoke (sponsor Draeger Canada)	Ekati Diamond Mine - Surface Team
Underground Smoke (sponsor Draeger Canada)	Diavik Diamond Mine
Underground Bench/Field Test (sponsor WSCC)	Diavik Diamond Mine
Surface Obstacle/Extrication (sponsor Rio Tinto)	Ekati Diamond Mine - Surface Team
Underground (sponsor De Beers Canada)	Snap Lake Diamond Mine



**And Mining Week celebrates our industry success**

Highlights of NWT Mining Week were the Territorial Mine Rescue Competition and the annual Miners Picnic in Yellowknife. The picnic was held adjacent to the competition. Despite the blustery and rain threatening day, it attracted over one hundred residents to watch the competition and enjoy food and family-focused events.

Our thanks go out to all those who came out to watch the teams in action, to enjoy the good food and hospitality. We especially want to thank the many Chamber members and volunteers who helped organize and sponsor the events.



## **Baffinland submits lower tonnage trucking phase for review**

Erik Madsen, Baffinland's Vice President of Sustainable Development, Health, Safety & Environment travelled to Cambridge Bay this month to deliver the much talked about Mary River Project EIS Addendum package to NIRB and the Nunavut Planning Commission. (NIRB formally acknowledged receipt of the Addendum on June 24, 2013). This Addendum describes an Early Revenue Phase (ERP) during which smaller amounts of ore would be trucked to a seasonal port at Milne Inlet until 2018 when shipping of larger volumes of ore by train would commence.

The ERP includes certain changes to the Mary River Project from when it was originally reviewed by the NIRB last year. Construction of additional facilities required for the ERP will commence once the original Project Certificate is amended (expected in Q1 2014). This will allow Baffinland to proceed with the project modifications included in the ERP. It is anticipated that construction of the ERP facilities will be completed by the end of Q1 2015.

For the approved Project (Certificate No. 005), all material, equipment and supplies required for the construction of the Mine Site and the northern portion of the railway will be delivered to Milne Port and transported to the Mine Site over the upgraded Tote Road. Therefore, the development of Milne Port (freight dock, laydown areas, expanded camp and sewage treatment facilities, maintenance shops and warehouses) and the upgrade of the Tote Road (limited realignment, replacement of culverts, addition of bridges) are an integral part of the Approved Project and were included in the scope of the Final Environmental Impact Assessment (FEIS) approved on December 28, 2012.

The ERP introduces additional activities that were not assessed in the FEIS of the Approved Project:

1. Mine Site
  - a. Loading of ore into trucks; and
  - b. Truck fleet (for haulage of ore).
2. Tote Road
  - a. Haulage of ore along the Tote Road.
3. Milne Port
  - a. Ore stockpiling at Milne Port.
4. Marine Shipping
  - a. Ore carrier loading at Milne Port;
  - b. Ore carrier shipping volume and timing.

Permanent Project facilities will be located at the Mary River Mine Site, the Milne Port site and Steensby Port. The Mine Site will be connected to Steensby Port by a railway and to Milne Port by the existing Milne Inlet Tote Road. Marine access and shipping will occur seasonally through Milne Port and Steensby Port during the construction phase and year-round through Steensby Port during operations, but only during open water season to Milne Port. Based on the iron ore reserves currently defined and under exploration, the Project will operate for about 21 years. Geological conditions suggest that additional ore may be delineated as exploration continues, potentially extending the life and/or increasing the production rate of the Project. The development of other deposit(s) is conditional on future government approvals.

## **Gahcho Kué Joint Venture & GNWT sign Gahcho Kue Socio-Economic Agreement**

On June 28, the Gahcho Kué Joint Venture (De Beers Canada and Mountain Province Diamonds) announced that De Beers as Operator of the Gahcho Kué Project has entered into a Socio Economic Agreement (SEA) with the Government of the Northwest Territories for the proposed Gahcho Kué diamond mine located in Canada's Northwest Territories (NWT).

The agreement formalizes commitments made with respect to employment, training, business opportunities and other related benefits for NWT residents. It also establishes measures to monitor possible socio-economic impacts related to the proposed mine and establishes the mechanism to work with communities close to the mine site to ensure an adaptive management approach to socio-economic performance of the mine.

“In signing this SEA, both parties are affirming their commitment to advancing this Project in a way that not only creates jobs for our residents, but that supports the health and wellness of the region,” said Minister of Industry, Tourism and Investment, David Ramsay. “This is a significant step forward in opening this mine, a project that will translate into economic opportunities for people throughout the North and South Slave Regions, and across the territory.”

“This is an important milestone for De Beers and for our Joint Venture Partner, Mountain Province Diamonds,” said Tony Guthrie, President and CEO of De Beers Canada and Chairman of the Gahcho Kué JV Management Committee. “The signing of this Agreement confirms that De Beers and the Government of the Northwest Territories are committed to working together to optimize opportunities for the residents and economy of the NWT, while respecting the cultures and traditions of communities close to the mine. This agreement positions Gahcho Kué to contribute to the economic success of the NWT and its all-important diamond industry.”

Highlights of the SEA include:

- Incentives to assist employees living in the NWT, including priority hiring and relocation benefits;
- Establishment of a trades training, apprenticeship and professional training sponsorship program with at least 30 positions allocated for NWT residents;
- Establishment of NWT pick-up points and transportation allowances to assist NWT resident employees travelling to and from the Gahcho Kué mine from NWT communities;
- An innovative approach to community involvement in the review of annual results with the GNWT and De Beers to enhance opportunities for dialogue, transparency and accountability.

An intensive two-year environmental impact review concluded in December 2012. The report and recommendation will be released to the Minister of Aboriginal Affairs and Northern Development by the Mackenzie Valley Environmental Impact Review Board is expected in July this year. Upon receiving Ministerial approval on the EIR Report, the Project will be able to proceed through the final permitting phase where the terms and conditions of its permits and licenses will be determined.

The Gahcho Kué diamond mine will have a mine life of approximately 11 years, will employ up to 700 people during construction and approximately 400 people during operations. It will produce on average 4.5 million carats annually over its mine life. Click [here](#) for the complete media release.

### **Rio Tinto opts to retain diamonds business – no sale of world class Diavik**

Rio Tinto has decided to retain its diamonds businesses after concluding a strategic review which considered a range of options, including potential divestment.

Rio Tinto Diamonds & Minerals chief executive Alan Davies said "The medium to long-term market fundamentals for diamonds remain robust, fuelled by growing demand for luxury goods in Asia and continuing strong demand in North America. We have valuable, high-quality diamonds businesses that are well positioned to capitalise on the positive market outlook. After considering a number of alternative strategic ownership options it is clear the best path to generate maximum value for our shareholders is to retain these businesses."

Rio Tinto operates a fully integrated diamonds business from exploration through to sales and marketing. It is one of the world's major diamond producers through its 100 per cent ownership of the Argyle mine in Australia, 60 per cent of the Diavik mine in Canada and a 78 per cent interest in the Murowa mine in Zimbabwe. These three mines allow Rio Tinto to produce the full range of diamonds for all market segments. Rio Tinto also has an advanced diamond project, Bunder, in India. See: [www.riotintodiamonds.com](http://www.riotintodiamonds.com)

### **MMG considering alternative design for Izok Corridor Project**

MMG has determined that their original proposal for mining and processing base metals at the Izok deposit site, with satellite mining at High Lake is not sufficiently economically robust. Therefore the company is now considering and studying alternative design that could potentially see the process plant located at the port site, with ore trucked to it from the Izok, Hood and High Lake deposits. These changes could reduce costs and add value to the project, thereby improving the economic viability of the project and improving the potential for the project to proceed.

The alternatives being considered include:

- Izok and High Lake mines developed sequentially
- Concentrate production rate increased
- Hood deposit added to the project
- Ore processed at Grays Bay
- A modularized ore processing facility (mill) installed at Grays Bay;
- Tailings managed in an engineered facility near Grays Bay.
- Camp Facilities at the Mine Sites will be Portable



For more information, visit MMG's website and download their various fact sheets [here](#).

## **Canadian Zinc receives two key land use permits for mine**

The Prairie Creek zinc-silver mine is two important steps closer to being able to begin mining operations. On June 21, the Mackenzie Valley Land and Water Board issued two key Land Use Permits (LUP) for Canadian Zinc's wholly owned Prairie Creek Mine in the Northwest Territories. Both new LUP permits are valid for a term of five years and with an optional two year extension.

- LUP MV2008D0014 permits Canadian Zinc to extract ore and waste rock from the Prairie Creek Mine, operate a flotation mill concentrator to produce zinc and lead concentrates, create a waste rock facility, and refurbish and develop site facilities in support of the mining operation along with the eventual closure and reclamation of the minesite.
- LUP MV2008T0012 permits Canadian Zinc to construct and operate the Liard Transfer Facility to be situated near the junction of the existing Prairie Creek Mine access road and the Liard Highway. The Liard Transfer Facility is a staging area at the south end of the winter access road designed to temporarily store outbound concentrate and inbound supplies.

These permits add to the permit MV2012F007 issued in January which permits the construction, maintenance, operation and use of the winter access road connecting the Prairie Creek Mine to the Liard Highway. This permit allows the outbound transportation of the zinc and lead concentrates to be produced at the mine and the inbound transportation of fuel and other supplies during the actual operation of the Prairie Creek Mine.

What is now remaining is the Class "A" Water Licence which will be subject to approval by the Federal Minister of Aboriginal Affairs and Northern Development, and final permits from Parks Canada to operate that portion of the winter road that passes through the Nahanni National Park Reserve and to construct the Tetcela Transfer Facility, a second road staging area to be located within the Park. Draft permits were issued for review by Parks Canada in March, 2013 and it is expected these permits will be finalized in the near-term.

## **New investor will help advance Fortune's NICO Project**

In these current markets, miners around the world are finding it challenging to raise money to advance their projects. Innovative approaches are being found, and this month Fortune Minerals and Procon Resources have come together to do just that.

On June 27, Fortune announced that investment by Procon Resources will help advance the development of the NICO Gold-Cobalt-Bismuth-Copper Project in the Tli Cho region of the NWT. The objective is to begin construction activities in 2014, including completing project financing arrangements, detailed engineering, and a project execution plan.

Procon has agreed to make a strategic investment of C\$11.7 million in the capital stock of Fortune at a price of \$0.40 per common share, to be completed in two tranches of \$5,850,000. It will result in Procon holding a 19.4% ownership stake in the Company on a non-diluted basis. The issue price represents a 14% premium over Fortune's closing price on The Toronto Stock

Exchange on June 26, 2013. Procon will have the right to appoint one nominee to the board of directors of Fortune upon closing of the first tranche of the placement.

Fortune will use the proceeds of the private placement financing to advance the Project and for working capital.

Procon is a full-service mining contracting company headquartered in Vancouver, Canada. It is majority owned by China CAMC Engineering Co., Ltd. , a leading provider of international engineering, procurement and construction services based in Beijing.

Mr. Robin Goad, CEO of Fortune commented, "We are very proud to welcome Procon as a strategic investor. Their expertise in construction, engineering and mining services will be highly beneficial as Fortune advances its mining projects and becomes a multi-asset producer."

Mr. Ed Yurkowski, CEO of Procon, "We are very familiar with Fortune and its projects, having conducted the underground test mining for the NICO mine in 2005 and 2006. We look forward to leveraging our experience and working with Fortune's management team to make the NICO Project a success."

### **Tli Cho and Yellowknives Dene Chiefs Elected**

Tli Cho election results from the recent Tli Cho election in June saw the following elected as chiefs: Clifford Daniels was re-elected to Behchoko as was Alfonz Nitsiza in Wha Ti. New chiefs were elected in the other two Tli Cho communities, with David Wedawin in Gameti and Johnny Arrowmaker in Wekweti.

For the Yellowknives Dene First Nation of N'dilo, first timer Ernest Betsina was elected Chief, taking over from Roy Erasmus Sr., who was acting since Chief Ted Tsetta left office last year.

### **Northern geoscientists honoured as "Fellows"**

Geoscientists Canada has created a new designation called *Fellow of Geoscientists Canada* to recognize contributors to professionalism in Canadian geoscience. Fellowship honours individuals who have given noteworthy service to the geoscience profession, through service to Geoscientists Canada, service to one of the provincial and territorial regulatory bodies that are the constituent associations of Geoscientists Canada, or service in another capacity.

The first Fellows were elected in early June and include a number of geoscientists with significant northern experience, including: Hendrik Falck, Carolyn Relf, Joe Heimbach, Karen Costello, Kate Hearn, Ralph Bullis, Maureen Jensen, Louis Covello, Mike Stublely, Pamela Strand, Brent Murphy, Reg Olson, Garth Kirkham, Gary Vivian and Scott Cairns. [Apologies for any missed ... Ed]

Being bestowed with this honour means that these dedicated geoscientists have the privilege of using the designation "Fellow of Geoscientists Canada" (FGC). Dedicated individuals, who are selected, who are not geoscientists may use the designation "Honorary Geoscientists Canada Fellow".

Complete details can be viewed on the Geoscientists Canada website at [www.ccpge.ca](http://www.ccpge.ca).



## **New Report: Ernst & Young's annual *Business Risks Facing Mining and Metals***

### ***Capital allocation risk threatens miners' future growth and survival***

Capital allocation and access to capital have rocketed to the top of the business risk list for mining and metals companies globally, up from number eight in 2012, in Ernst & Young's annual Business risks facing mining and metals 2013-2014 report.

Ernst & Young's Global Mining and Metals Leader Mike Elliott says these "capital dilemmas" threaten the long-term growth prospects of the larger miners at one end of the sector, and the short-term survival of cash-strapped juniors at the other end.

Margin protection and productivity improvement (two, up from number four) and resource nationalism (three, down from one) round out the top three risks, while the threat of substitutes is a new entry in the rankings at number 10.

"The rising business risks that are top of mind with mining and metals CEOs and Boards today are being driven by the need to protect returns and manage the interests of varied and often competing stakeholders. This is in stark contrast to just 12-18 months ago when fast-tracking production was still top of the agenda and capacity constraints defined the key business risks," says Elliott.

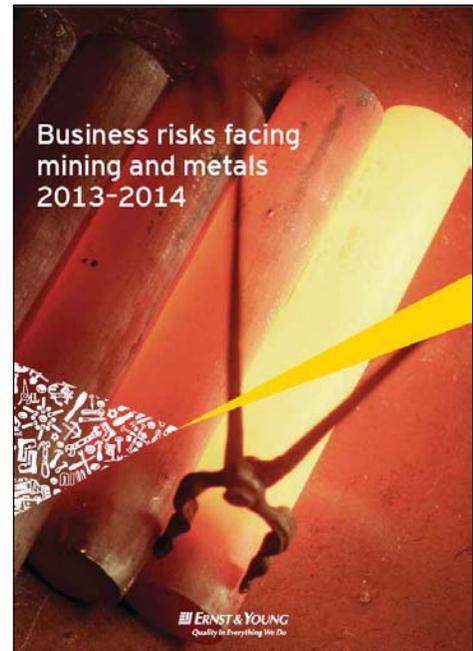
For larger miners, the rapid decline in commodity prices in 2012, rampant cost inflation and falling returns have created a mismatch between miners' long-term investment horizons and the short-term return horizon of new yield-hungry shareholders in the sector.

"Many years of high growth in earnings, cash flows and capital appreciation has attracted a different group of investors to mining, investors with short-term investment horizons who are not as comfortable with the sector's longer-term, and often counter-cyclical, development, investment and return horizon," he says.

"Shareholders with very short-term investment horizons do not seem to understand that every shovelful of dirt miners pull out the ground is a shovelful closer to not having a business – investing in growth is fundamental for the sector."

"This raises the question of how to balance the demands of short-term shareholders with those investing for longer-term returns. There is concern that the pendulum may swing too far, raising the possibility of another period of endemic underinvestment in new supply and resulting in future price volatility."

"There is a profound risk that the decisions taken by mining and metals companies today could damage their growth prospects, destroying shareholder value over the longer-term."



### ***Junior miners fight for survival***

On the other side of the "capital dilemmas" are the junior miners – they are cash-starved and their survival is under threat.

Elliott says: "The dramatic and continuing sell-off in equity markets has starved the junior end of the market of capital. Advanced juniors and mid-tier producers have been caught in the middle, exposed to a fragile balancing act between investors' thirst for yield and low tolerance of risk".

The cash and working capital position of the industry's smallest companies underlines the severity of the situation. Companies with a market value of less than US\$2 million – about 20% of listed mining companies across the main junior exchanges – had on average less than US\$1 million in cash and equivalents on their balance sheets at 31 December 2012.

The 2013 top 10 strategic business risks in the global mining and metals sector:

- Capital dilemma – allocation and access (8 in 2012)
- Margin protection and profitability improvement (4)
- Resource nationalism (1)
- Social license to operate (6)
- Skills shortage (2)
- Price and currency volatility (7)
- Capital project execution (5)
- Sharing the benefits (9)
- Infrastructure access (3)
- Threat of substitutes (new)

Click [here](#) to download the report.

### **New PwC Report: *Mine: A confidence crisis***

Price Waterhouse Coopers has released its latest mining update: *Mine – A Confidence Crisis*. Some key observations include:

- while mining stocks fell slightly in 2012, during the first four months of 2013 mining stocks were hammered, falling nearly 20%.
- the mining industry is facing a confidence crisis.
- global mining revenue was flat at \$731 billion
- net profits were down 49% to \$68 billion.
- \$45 billion in impairment charges hit the bottom line
- at only 8%, return on capital employed was the lowest it's been for a decade
- shareholders are unhappy and have demanded change starting at the top, and since April 2012, half of the top 10 mining CEOs have been replaced
- new leadership is a visible signal that changes are on the way

The report goes on to say:

*The mining industry faces a confidence crisis. Confidence over whether costs can be controlled, return on capital will improve and commodity prices will not collapse, among others. Over the past decade, the mining industry has outperformed the broader equity markets, but this trend has recently changed. While 2012 saw mining stocks fall slightly, they fell nearly 20% in the first four months of 2013.*

*Regaining confidence depends on how the mining industry responds to its rising costs, increasingly volatile commodity prices and other challenges such as resource nationalism. Despite this drop in confidence, it's not all bad news. Production volumes and dividend yields are up and while prices have fallen, they have not crashed. China continues to be the industry's most important customer. While Chinese growth rates are slowing down, they are coming from a bigger base, so future demand for commodities still looks healthy.*

*Miners are trying to rebuild the market's confidence - capital expenditures have been scaled back, hurdle rates are being increased and non-core assets are being disposed of. Across the board, there is a shift from maximising value by increasing production volumes, to a renewed focus on maximising returns from existing operations through managing productivity and improving efficiencies.*



Click [here](#) or on the report icon to download the report.

### **But ... new global mining giant CEO optimistic about future of mining**

While the immediate challenges we face in our industry often make us perhaps a little pessimistic (for self-survival, pessimism isn't a common trait of miners!) on the future of mining, a recent speech by the newly appointed CEO of BHP Billiton might renew all of our optimism.

In a speech to the Melbourne Mining Club in early June, CEO Andrew Mackenzie shared his big picture vision of the future.

In addition to revealing he's an optimistic Scot, some of the particularly interesting quotes include:

*"The world's population is expected to rise by as much as a third by 2050 to more than nine-billion. And only if we deliver steady, sustainable growth in commodities – from steelmaking, through to metals, energy and energy transfer, to food – can we be sure that by 2030, the global middle class could grow to five-billion, up from two-billion today.*

*... the noble purpose of our trade: to supply the resources that enable economic growth and lift several billion people out of poverty*

*Popular opinion has it that our industry is fundamentally unsustainable because the world, they believe, is running out of resources. Popular opinion is wrong.*

*A basic assessment of the world's geology suggests that hundreds of years of supply are available to us. In 1900, the world's copper reserves were 25-million tons. Today, they are over 500-million.*

*Human ingenuity will always and quickly find new ways to discover, economically extract, efficiently use, recycle, or substitute natural resources to meet growing demand. The US is now overtaking Saudi Arabia as the world's largest producer of hydrocarbons – something few would have anticipated ten years ago. This is an example of the ingenuity that we can count on.*

*If resources are not scarce, society has a choice. We do not have to mine or drill everywhere. Our industry will only invest where we are welcome, and where we can generate the most value without adverse social and environmental impact – or excessive shareholder risk given the returns on offer.*

*The supply to meet demand will come from those jurisdictions that do not have supply cartels nor political arrangements which fail to direct the bulk of the benefits of mineral wealth to their people. The nations that will successfully attract investment are those in which governments offer political and fiscal stability, and where policymakers want to work with us to create conditions for industry to prosper.*

*The supply to meet demand will come from those jurisdictions that do not have supply cartels nor political arrangements which fail to direct the bulk of the benefits of mineral wealth to their people.*

*The nations that will successfully attract investment are those in which governments offer political and fiscal stability, and where policymakers want to work with us to create conditions for industry to prosper.*

*We have the longest investment cycles in the world and we cannot move our ore bodies en masse to other countries. So, when we invest, it is for the very long term. But when we do invest, our presence will promote broader economic development and a diverse land economy, where agriculture, tourism, recreation and resources co-exist. Fully respecting the rights of indigenous peoples.*

*Let me end with this thought. Sustainability is a much abused word, but at its heart is a real and important concept.*

*Gro Harlem Brundtland defined it well in her report for the UN - 'Our Common Future'. 'Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs'.*

*Abundance gives us choice. And if we choose well, we can build our industry in a way that is sustainable.*

Andrew Mackenzie's entire speech can be downloaded [here](#).

## Increased German interest in NWT projects

In two separate events, German investors learned more about our NWT exploration and mining industry.

### ***Diavik speaks at German wind energy seminar in Toronto***

On June 7th, 2013 the Canadian German Chamber of Industry and Commerce hosted a breakfast seminar in Toronto on the integration of renewable energy into the mining industry. The focus of this first event of a series on renewable energy and mining focused specifically on wind power as an option for remote mine sites in Canada's North.

More than 70 experts from the wind and mining industries attended the morning session at Toronto's St. Andrew's Club and took part in the discussions. Michael Morgenroth from Hatch Ltd opened the program by providing an overview of opportunities and challenges of integrating wind power into mining operations.

Corey McLachlan from Diavik Diamond Mines Inc. presented on Canada's first successful large scale wind farm operating at a remote mine site in the Northwest Territories (see photo).



The wind farm was manufactured by German-based market leader Enercon and represents a milestone in technological progress with regards to wind parks in the far North. A panel discussion with speakers from Enercon Canada Inc., Diavik Diamond Mines Inc., Natural Resources Canada, KPMG LLP and SNC Lavalin Inc. further elaborated on the overall challenges and opportunities for wind energy in the mining industry.

### ***Avalon Participates in Canada-Germany Rare Earths Forum in Berlin***

On June 19, Avalon Rare Metals Inc. participated in a Rare Earths Forum hosted by the Canadian Embassy in Berlin, Germany. The event built on letters of co-operation signed between the Governments of Canada and Germany last year to increase collaboration between Canada and Germany in the area of critical raw materials supply and technology. The event attracted over 30 attendees from German manufacturing, consulting, financial, consulting companies and academic institutions. Some of the more well-known companies attending included Siemens, Robert Bosch, Daimler, Brose and Infineon Technologies.

Avalon's Bill Mercer, Vice President, Exploration and Pierre Neatby, Vice President, Marketing & Sales provided an overview of Avalon's advanced Nechalacho project, the only project outside China to have completed a comprehensive Feasibility Study that contemplates production of separated and refined heavy rare earth oxides.

Mr. Neatby noted that the Forum provided for an open discussion on the fundamental issues related to the rare earth market such as how consuming nations like Germany and Canada, with the largest rare metals reserves of any country in the world, can establish a secure and

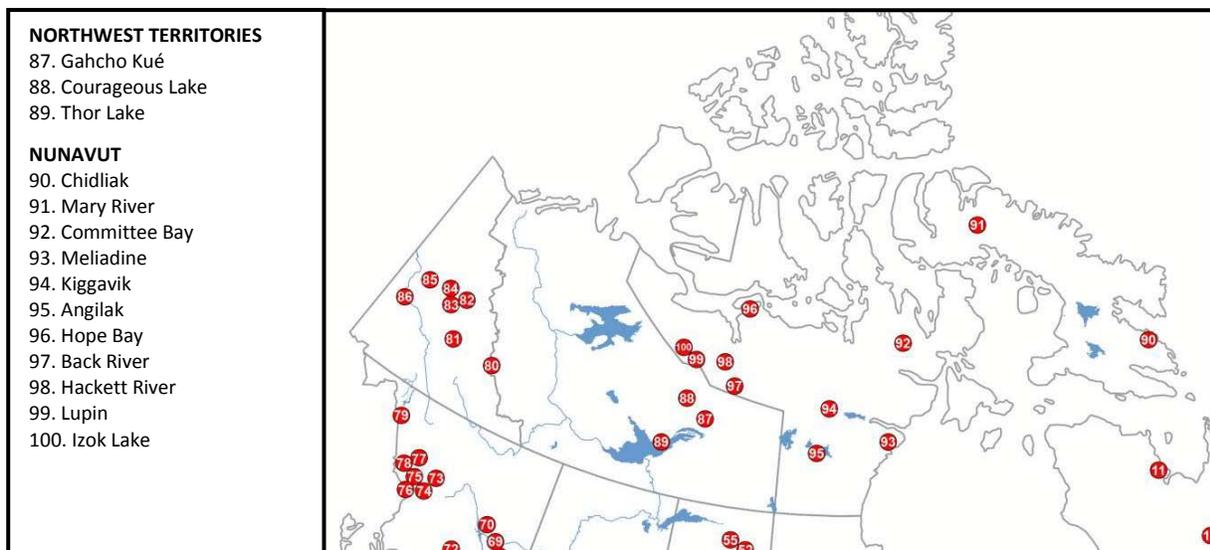
competitive rare earth supply chain. The main take-aways from this Forum from Avalon’s perspective were:

- Germany will continue to be an increasingly significant consumer of rare earths in the future;
- For many applications, if a secure, competitive source of rare earths was available, more rare earths would be consumed; and
- Despite the recent fall in prices, no fundamental change to the rare earth market has occurred and China still controls the supply chain for heavy rare earths.

### Map of Top 100 Exploration Projects

Annually, Natural Resource Canada compiles the top 100 exploration and deposit appraisal projects in Canada, based on 2012 expenditures. Eleven of the projects are in Nunavut, and 3 are in the Northwest Territories. Although the top 100 projects have been identified using data from the federal-provincial/territorial Survey of Mineral Exploration, Deposit Appraisal and Mine Complex Development Expenditures, all locations and project information displayed here have been compiled by the Minerals and Metals Sector of Natural Resources Canada (NRCan) from a variety of public sources. NRCan does not assume responsibility for errors or omissions. No portion of the map may be reproduced in any form without prior consent.

Northern projects that make the top 100 ( ) are shown on the map below. Visit the NRCan site for the full list of Canadian projects, by clicking [here](#).



### Delivering on the mandate for the Canadian High Arctic Research Station

(excerpted from the AANDC Science and Technology Plan for 2013/14 to 2017/18)

Officials from AANDC were in Cambridge Bay this month to meet with the architects responsible for designing the CHARS (Canadian High Arctic Research) Station and to consult with the community to select locations for reference monitoring and experimental sites around Cambridge Bay.



## Member News Releases this past month

Links are live in the following news releases issued by our member companies this past month.

- **Amendment to Isortoq Purchase Agreement** (June 28, 2013) West Melville Metals Inc. and Hunter Minerals Pty Ltd have agreed to amend the Isortoq Purchase Agreement to change the “Completion Date” from July 31, 2013 to September 30, 2013... the date the Company will secure 100% ownership of the Isortoq Property. [Click for more](#)
- **Gahcho Kué Joint Venture and the Government of the Northwest Territories (GNWT) Sign Socio Economic Agreement** (June 28, 2013) De Beers and Mountain Province Diamonds are pleased to announce that De Beers as Operator of the Gahcho Kué Project today entered into a Socio Economic Agreement (SEA) with the Government of the NWT for the proposed Gahcho Kué diamond mine, NWT. [Click for more](#)
- **Kivalliq Reports Assay Results from 2013 Drilling at the ML and J1 Zones** (June 27, 2013) Kivalliq Energy Corporation today announced assay results from drilling at the newly discovered ML and J1 zones within the Lac 50 Trend located at Kivalliq’s 340,268 acre Angilak Property in Nunavut Territory. [Click for more](#)
- **Seabridge Gold Reports on Results of Annual Meeting of Shareholders** (June 27, 2013) Seabridge Gold has provided the results of its annual general meeting of shareholders held on June 26, 2013. [Click for more](#)
- **Fortune Minerals announces strategic investment by Procon Resources Inc.** (June 27, 2013) Fortune and Procon will work together to advance the development of the NICO Gold-Cobalt-Bismuth-Copper Project in the Northwest Territories. [Click for more](#)
- **Dugald River project financing completed** (June 27, 2013) MMG Limited is pleased to announce that it has entered into a facility agreement for an amount up to US\$1 billion to finance the development and construction of the Dugald River project located in north-west Queensland, Australia. [Click for more](#)
- **Fortune Minerals Announces Results of Annual and Special Meeting of Shareholders** (June 26, 2013) Fortune Minerals Limited reports that the nominees listed in the management information circular were elected as directors of Fortune. [Click for more](#)
- **North Arrow Drills Kimberlite at the Pikoo Diamond Project** (June 26, 2013) North Arrow Minerals Inc. is pleased to announce that kimberlite has been intersected in the first hole of a drilling program currently underway at the Company’s Pikoo diamond project, east of La Ronge, Saskatchewan. [Click for more](#)
- **Stornoway Reports Quebec Strike Action Settled** (June 25, 2013) Stornoway Diamond Corporation is pleased to confirm that strike action taken by the Alliance of Unionized Construction Workers of Québec has been settled ... [Click for more](#)
- **Avalon Participates in Canada-Germany Rare Earths Forum in Berlin** (June 25, 2013) Avalon Rare Metals Inc. is pleased to report on a recent Rare Earths Forum hosted by the Canadian Embassy in Berlin, Germany. [Click for more](#)
- **Stornoway Diamond Corporation – Announcement of Appointment** (June 25, 2013) Stornoway Diamond Corporation is pleased to announce the appointment of Orin Baranowsky, CFA, to the role of Director, Investor Relations. [Click for more](#)
- **Canadian Zinc Receives Land Use Permits for Operation of Prairie Creek Mine** (June 21, 2013) Canadian Zinc Corporation is pleased to announce that the Mackenzie Valley Land and Water Board has issued two key Land Use Permits for mining operations at its wholly owned Prairie Creek Mine in the Northwest Territories, Canada. [Click for more](#)

- **Peregrine Announces Closing Of \$3.5 Million Private Placement** (June 21, 2013) Peregrine Diamonds Ltd. is pleased to announce that ... the Company has completed its non-brokered private placement for gross proceeds of \$3.5 million. [Click for more](#)
- **Diavik mine rescue team competes at northern event** (June 20, 2013) Congratulations to the Diavik mine rescue team, winners of two events at the 56<sup>th</sup> annual Workers' Safety and Compensation Commission mine rescue competition held in Yellowknife on June 14 and 15. Diavik's team won the underground obstacle and underground bench/field test events. [Click for more](#)
- **Stornoway Provides Renard Mine Road Update** (June 19, 2013) Stornoway Diamond Corporation would like to provide an update on the status of construction activity on the Renard Mine Road ... [Click for more](#)
- **Selwyn Announces Annual General and Special Meeting Results** (June 17, 2013) Selwyn Resources Ltd. is reporting that each of the nominee directors listed in the Non-Management Form of Proxy dated May 30, 2013, were elected as directors ... [Click for more](#)
- **Advanced Explorations Inc. Engages Haywood Securities as Financial Advisor** (June 17, 2013) Advanced Explorations Inc. today announced that it has retained Haywood Securities Inc. as its financial advisor to review strategic alternatives for the development of the Company's flagship Roche Bay Iron Project located in Nunavut. [Click for more](#)
- **Nighthawk Reports 45.3% Increase in Contained Gold Ounces and 59% Increase in Average Grade in Updated Colomac Resource Estimate** (June 17, 2013) Nighthawk Gold Corp. is pleased to report an updated Inferred Mineral Resource estimate, prepared in accordance with National Instrument 43-101 ... at its 100%-owned Colomac gold property in the Northwest Territories ... [Click for more](#)
- **Avalon Issues Summary of its 2012 Corporate Sustainability Report** (June 17, 2013) Avalon Rare Metals Inc. is pleased to announce that the Company has published a summary of its 2012 Corporate Sustainability Report ... [Click for more](#)
- **Selwyn Resources Announces Repayment of Waterton Loan Facility** (June 12, 2013) Selwyn is pleased to announce that it has repaid all indebtedness under its loan facility with Waterton ... [Click for more](#)
- **Tyhee Announces Director Resignation** (June 10, 2013) Tyhee Gold Corp. announces that, effective immediately, Mr. Michael R. Sonnenreich has resigned as a Director for personal reasons. [Click for more](#)
- **Selwyn Resources Announces Updated ScoZinc Mine Plan** (June 11, 2013) Selwyn is pleased to announce results of an update to the December 20, 2012 Preliminary Economic Assessment Update Report ("PEA") for the ScoZinc zinc-lead project in Nova Scotia ... [Click for more](#)
- **Selwyn Resources Addresses Statements Made in Dissident Circular** (June 7, 2013) Selwyn addresses certain statements made in the dissident proxy circular prepared by Resource Capital Fund ... [Click for more](#)
- **North American Tungsten Corporation Announces Severance Settlement** (June 07, 2013) Further to the news release dated June 6, 2013 announcing changes in senior management, the Company announces ... a severance settlement with former CEO and President, Stephen Leahy. [Click for more](#)
- **North American Tungsten Corporation Announces Change In Executive Leadership** (June 06, 2013) North American Tungsten Corporation Ltd. today announced that the board has appointed Kurt Heikkila, current Chairman of the board, as interim CEO and President. [Click for more](#)

- **Tyhee Grants Incentive Stock Options** (June 6, 2013) – Tyhee Gold Corp. announces that it has granted incentive stock options to purchase an aggregate of up to 1,000,000 common shares to one of its directors ... exercisable on or before June 4, 2018 at a price of \$0.10 per share. [Click for more](#)
- **Dominion Diamond Corporation Reports Fiscal 2014 First Quarter Results** (June 5, 2013) Dominion Diamond Corporation today announced its first quarter results for the period ending April 30, 2013. “Diavik is performing well and we are pleased with what we see at Ekati.” [Click for more](#)
- **Kivalliq Drills New ML Zone in Lac 50 Trend; Update on Phase 1 Exploration at Angilak Property** (June 4, 2013) Kivalliq Energy Corporation today announced the discovery of uranium mineralization associated with a geophysical conductor located 650 metres north east of the J4 Zone at the Angilak Property, NU ... [Click for more](#)

### Welcome New Members!

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

**Kitnuna Corporation** is a 100% owned Inuit company that provides services and supplies to mine sites, remediation work, civil construction, spill containment and cat train services through its 3 wholly-owned subsidiaries: Kitnuna Projects Inc., Kitnuna Expediting Services Limited, and Kitnuna Petroleum Ltd. Visit: [www.kitnuna.ca](http://www.kitnuna.ca)

**NOR-EX Ice Engineering Inc.** provides comprehensive and proven Design, Operational Planning and Risk Management solutions to improve Safety and to Optimize Operations for organizations working on ice, including ice roads, airstrips & ice platforms. Their team has years of northern experience. Visit: [www.norexice.com](http://www.norexice.com).

### Calendar of Events

- **23<sup>rd</sup> World Mining Congress & Expo (WMC 2013)**, Montreal, Quebec, August 11-15, 2013. Visit: <http://www.wmc-expo2013.org>
- **Renewable Energy and Mining Summit**, Toronto, September 25-26, 2013. Visit: [Renewable Energy and Mining Summit](#).
- **Canada’s North 2013**, The Conference Board of Canada’s Centre for the North 2<sup>nd</sup> Northern summit, October 15-17, 2013, Whitehorse, Yukon. Click [here](#)
- **CAMA 2013, Canadian Aboriginal Minerals Association 21st Annual Conference**, *Exploring Values, Mining Decisions*, November 3-5, 2013, Westin Bayshore Hotel, Vancouver, BC. Download brochure [here](#).
- **41<sup>st</sup> Annual Geoscience Forum**, Yellowknife, NT, November 19-21, 2013. Plan to attend the North’s largest tradeshow and conference. Registrations opening soon on the website, [www.miningnorth.com](http://www.miningnorth.com).
- **2014 Nunavut Mining Symposium**, April 7 – 10, 2014, Iqaluit, NU. Visit: <http://www.nunavutminingsymposium.ca/>

## 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
<a href="#">Ekati Mine</a>	<a href="#">Dominion Diamonds</a> , 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 2019. Workforce approximately 1,500.	News release updated Q1 results for Dominion. Chantal Lavoie appointed new President. Reserves released April 24.
<a href="#">Diavik Mine</a>	Rio Tinto and <a href="#">Dominion Diamonds</a>	Diamonds	Canada's largest diamond producer, 300 km NE of Yellowknife. Mine life to 2023. Became all underground mine in 2012. Workforce approximately 1,000.	Diavik produced 1.9 million carats from 0.5 million tonnes of ore in Q4, bringing 2012 production to 7.2 million carats from 2.1 million tonnes of ore processed (up from 6.7 million carats from 2.2 million tonnes of ore processed in 2011. Rio Tinto has cancelled plans to sell diamonds business.
<a href="#">Snap Lake Mine</a>	De Beers	Diamonds	Canada's first all underground diamond mine. 220 kilometres NE of Yellowknife. Mine life to 2028. Workforce approximately 750.	Commenced commercial production on January 16, 2008 and the Official Mine Opening took place on July 25, 2008.
<a href="#">Cantung Mine</a>	North American Tungsten	Tungsten, copper	Cantung is in the mountains of western Northwest Territories, ~300 km by road NE of Watson Lake, Yukon. Mine life to 2014.	March 1 news release reports new zone of mineralization discovered near mine workings. New CEO announced.
<a href="#">Nechalacho</a>	Avalon Rare Metals	Rare earth metals	Proposed underground mine 100km SE of Yellowknife. Estimated mine jobs: 200. Target for production start up remains late 2016 with initial product sales anticipated for 2017.	Environmental assessment hearings completed in late February. First of 3 Aboriginal Agreements signed. Feasibility Study completed in Q2 2013.
<a href="#">NICO</a>	Fortune Minerals Ltd.	Cobalt-gold-bismuth-copper	Proposed open pit and underground mine located 50 km NE of Wha Ti. Estimated mine jobs: 150	Review Board has recommended to Federal Gov't and Tlicho Gov't that NICO project proceed to regulatory phase. New strategic investment announced with Procon Resources.
<a href="#">Yellowknife Gold</a>	Tyhee NWT Corp	Gold	Proposed open pit and underground mine of 2 deposits (Ormsby and Nicholas Lake) about 90 km NE of Yellowknife. Estimated 4,000 tpd. Est. mine jobs: 238	Positive Feasibility Study announced August 15, 2012. Jan 25 Tyhee announced award of engineering contract & feasibility study capex review. Technical team is currently developing responses to information requests from Review Board on Tyhee's Developer's Assessment Report
<a href="#">Prairie Creek</a>	Canadian Zinc Corporation	Lead-zinc-silver	Proposed underground mine 120 km west of Ft. Simpson. Estimated mine jobs: 220	MVLWB issued 2 two key Land Use Permits: one to allow mining and one to permit a staging area to temporarily store outbound concentrate and inbound supplies. Innovative financing of \$10m announced with potential for more.
<a href="#">Gahcho Kué</a>	De Beers & <a href="#">Mountain Province</a>	Diamonds	Proposed open-pit diamond mine approximately 180 km ENE of Yellowknife, NT. Estimated mine jobs: 360	Gahcho Kué Joint Venture and NWT Gov't signed socio-economic agreement June 28.
<a href="#">Pine Point</a>	Tamerlane Ventures	Lead-zinc	Company proposes underground mine east of Hay River, NT using freeze technology for water management. Estimated mine	January news releases indicate financing tranche for \$1.7m complete. In February, new experienced miner John Key

			jobs: 225	appointed as CEO.
<a href="#">Courageous Lake</a>	Seabridge Resources	Gold	Proposed open pit mine 240 km northeast of Yellowknife. 6.5 million oz proven and probable reserves. (Positive Preliminary Feasibility Study July 2012)	New 5-year land use permit issued December 28 to allow up to 700 drill holes.
<a href="#">Selwyn</a>	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 <a href="#">Selwyn Resources</a> .

## Mines & Promising Nunavut Mine Projects

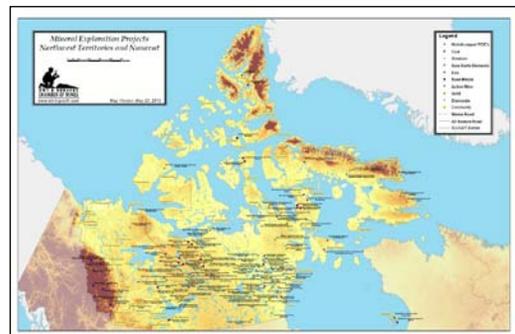
The following table describes a number of leading mineral development projects in Nunavut.

Project	Owner(s)	Commodity	Description	Status
<a href="#">Meadowbank Gold Mine</a>	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: 450	Payable gold production for 2012 totalled 366,030 oz. Mine life extended to 2018. Est. expenditures for 2013 - \$83M.
<a href="#">Mary River</a>	Baffinland Iron Mines	Iron	Proposed open pit mine with railway and port; 936 km N of Iqaluit with 5 known deposits. Estimated construction jobs: 3,500- 5,000. Estimated mine jobs: 715	Project Certificate awarded for December 28, 2012; Addendum to FEIS submitted to NIRB June 24, 2013 for a smaller, "Early Revenue Phase" project that would haul ore by truck until 2018 when rail haul would begin.
<a href="#">Kiggavik</a>	AREVA Resources	Uranium	Proposed uranium mine 80 km W of Baker Lake. Estimated Construction jobs: 750 Estimated mine jobs: 600	Areva submitted response to DEIS IR's on January 31, 2013; Technical Meetings / Pre-Hearing Conferences Rankin Inlet, May 28' 2013 and Baker Lake, June 4, 2013.
<a href="#">Meliadine Gold</a>	Agnico-Eagle Mines	Gold	Possible gold mine, 6 deposits, the largest of which is the Tiriganiaq deposit, 25 km NE of Rankin Inlet. Estimated construction jobs: 1000 Estimated mine jobs: 700	AEM to respond to DEIS IRs by June 27, 2013; Est. expenditures for development and exploration for 2013 - \$90M.
<a href="#">Hackett River</a>	GlencoreXstrata	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	Pre-feasibility Study initiated in September, 2012; Submission of DEIS scheduled for Q3, 2013. GlencoreXstrata is taking lead on advancing the Bathurst Inlet Road & Port project, with Sabina.
<a href="#">Back River</a>	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	Plans to file DEIS by end of 2013; PFS expected to be complete by the end of Q1, 2013; 9 drill rigs working at George and Goose Camps.
<a href="#">Izok Corridor Project</a> (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 is examining alternative designs to reduce costs, add value, and improve economic viability of the project, and will provide a revised project description to NIRB by December, 2013.

<a href="#">ULU &amp; Lupin</a>	Elgin Mining Inc.	Gold	Located 285 km SE of Kugluktuk. Lupin mine: past production; 3.7 million oz. ULU deposit: indicated mineral resource; 751,000 tonnes	Lupin exploration camp shut down on April 29, 2013.
<a href="#">Roche Bay</a>	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 Feasibility Study August 10, 2012. Announced opportunities for infrastructure support in construction of LNG power plant & port facility, February 5, 2013.
<a href="#">Chidliak</a>	Peregrine Diamonds Ltd.	Diamonds	Located 180 km S of Pangnirtung. Contains 61 known diamond-hosting formations.	CH-6 bulk sample scheduled to be processed for diamond recovery Q4, 2013. Peregrine announced small 2013 exploration program and it raised \$3.5m.
<a href="#">Doris North/ Hope Bay</a>	TMAC Resources	Gold	Proposed gold mines 130 km S of Cambridge Bay; covers the majority of the Hope Bay Greenstone Belt. Estimated mine jobs: 300	TMAC enters into MOU with KIA, March 14, 2013; NIRB confirms reassignment of Project Certificate to TMAC on April 11, 2013
<a href="#">Angilak</a>	Kivalliq Energy Corp.	Uranium	340,268 acre property located SW of Baker Lake; Hosts the high-grade Lac 50 Trend deposit; 43.3 Mlb inferred resource at 0.69% U308.	Kivalliq acquired property in 2008. 87,500 m on exploration and resource drilling to date. 2013 drill program planned.
Jericho Diamond Mine	Shear Diamonds Ltd.	Diamonds	Project to reassess viability of reopening the former diamond mine, 255 km SSE of Kugluktuk.	All work on project has been halted.

### Detailed deposit map on website

A reminder that the map below and others are available on our Chamber website under Library, Maps or by clicking [here](#) or on the small map.





**NWT & NUNAVUT  
CHAMBER OF MINES**

*Established 1967*

**Northern Mining News** is written and published by the  
NWT & Nunavut Chamber of Mines  
for free distribution electronically to  
those interested in the northern minerals industry.

For further information contact us at:  
PO Box 2818, Yellowknife, NT X1A 2R1  
Email: [info@miningnorth.com](mailto:info@miningnorth.com)  
Website: [www.miningnorth.com](http://www.miningnorth.com)

Project Maps

