

# Northern Mining News

Volume 4, No. 6

July 2011



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

## From the Executive Director ...

Welcome to the Chamber's July newsletter. My apologies for the heavy content this issue, but July seems to have been a period rich in stories that I hope will be of interest to you, our readers. Feedback is always appreciated.

This has been an especially exciting month for the Chamber as a result of having signed an MOU with the Akaitcho Dene First Nations. Our goal is to work together with the First Nation for mutually beneficial mineral exploration and development in the Akaitcho Territory. This land claim region is one of known high mineral potential and much of the NWT's past and current mineral production is from here. Unfortunately grassroots exploration has been suffering in the region, and we have agreed to see what we can do together to help get it restarted. This is quite an unprecedented approach in the NWT, if not in Canada, and we're looking forward to creating success

Note too that we have launched a new website and at the same time created new email addresses for all our Chamber staff. Please update your contact lists accordingly.

Happy reading!

... Tom Hoefer, Executive Director

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## Chamber and Akaitcho First Nations sign landmark relationship agreement

On July 8, the NWT and Nunavut Chamber of Mines and the Akaitcho Dene First Nations signed a Memorandum of Understanding to help promote and enhance responsible mineral exploration and development in the Akaitcho Territory.

Under the MOU, ***Collaboration Towards Mutually Beneficial Mineral Exploration and Development in the Akaitcho Territory***, which was signed at the Akaitcho Annual Assembly held in the Akaitcho community of Lutsel K'e, the two groups will create an Akaitcho – Chamber Relationship Committee responsible for establishing in broad terms the form and content of an Akaitcho – Chamber Relationship Strategy.



Akaitcho Region, see: [www.akaitcho.info/](http://www.akaitcho.info/)

The Committee will prepare a two-year Action Plan to help promote and enhance responsible mineral exploration and development in the Akaitcho Territory through initiatives that include:

- developing and implementing an engagement protocol between the Akaitcho Dene First Nations and Chamber members, including an exploration agreement template; and

- enhancing meaningful training, employment, and business opportunities between the Akaitcho Dene First Nations and Chamber members.

Once the work contemplated in the MOU is completed and implementation begins, it is hoped that mineral exploration and development activities in the Akaitcho Territory will proceed in a manner that is of increased mutual benefit to the Akaitcho Dene First Nations and Chamber members.

Signing the MOU on behalf of the Akaitcho were Yellowknives Dene First Nation Chiefs Eddie Sangris (community of Dettah) and Ted Tsetta (community of N'dilo), Lutsel K'e Dene First Nation Chief Antoine Michel, and Ft. Resolution Dene First Nation Chief Louis Balsillie.

Signing on behalf of the NWT and Nunavut Chamber of Mines were the Chamber of Mines Executive: President John Kearney, NWT Vice President Hugh Wilson, NU Vice President Pamela Strand, Secretary Treasurer Cathie Bolstad, and Executive Director Tom Hoefer.

For more information on the Akaitcho – Industry MOU, contact Tom Hoefer, Executive Director of the Chamber of Mines at Tel: 867-873-5281, email: [chamberminesed@ssimicro.com](mailto:chamberminesed@ssimicro.com) or Stephen Ellis of the Akaitcho Dene First Nations at Tel: 867-370-3217, email: [scellis@eastarm.com](mailto:scellis@eastarm.com). A copy of the MOU can be downloaded from the Chamber of Mines website at: [www.miningnorth.com](http://www.miningnorth.com) (under Views & Reports) or the Akaitcho site at: <http://www.akaitcho.info/>.



From L to R: Chief Ted Tsetta (Yellowknives Dene First Nation – N'dilo), Chief Edward Sangris (Yellowknives Dene First Nation – Dettah), Executive Director Tom Hoefer (NWT & NU Chamber of Mines), Chief Antoine Michel (Lutsel K'e Dene First Nation), Chief Louis Balsillie (Ft. Resolution Dene First Nation).

## New Exploration Industry Land Use Policy

In spring 2010, the Prospectors & Developers Association of Canada (PDAC) Lands and Regulations and Aboriginal Affairs committees participated in a workshop to develop a position statement on land access and land use planning.

Finalized in January 2011, the statement offers the national exploration organization's views on Guiding Principles and Practices for Public Policy and Legislation that its members believe should guide the development of public policy and legislation regulating land use planning for Crown lands and governing access to those lands for mineral exploration and mine development purposes.

The guiding principles are:

1. Establish basic goals and objective
2. Account for global economic factors
3. Accommodate the need for confidentiality before acquisition of tenure
4. Integrate environmental, social and economic goal
5. Avoid alienation without evaluation
6. Allow for infrastructure and access requirement
7. Strive for clarity, certainty, efficiency and timelines
8. Define responsibilities for Aboriginal engagement and consultation
9. Incorporate periodic review and refinement
10. Encourage broad involvement and collaborative dialogue
11. Ensure that decision-makers have the necessary resource



For a copy of the **PDAC Position Statement – Land Use Planning and Land Access** please follow the link: <http://www.pdac.ca/pdac/advocacy/land-use/2011-jan-pdac-land-use-land-access-eng.pdf>

## New Chamber of Mines Website and Email addresses

In late July, the Chamber of Mines launched a new website. As a result of this, we have also created new email addresses with the same 'miningnorth' domain name. Please update your email contact lists with our new email addresses:

- General Information: [info@miningnorth.com](mailto:info@miningnorth.com)
- Tom Hoefler**, Executive Director:  
[executivedirector@miningnorth.com](mailto:executivedirector@miningnorth.com)
- Elizabeth Kingston**, General Manager, Nunavut Office:  
[generalmanagernu@miningnorth.com](mailto:generalmanagernu@miningnorth.com)
- Cheryl Wourms**, Office Manager:  
[officemanager@miningnorth.com](mailto:officemanager@miningnorth.com)
- Adam Vivian**, Analyst: [analyst@miningnorth.com](mailto:analyst@miningnorth.com)



## Edehzhie Candidate Protected Area

The Department of Aboriginal Affairs & Northern Development is looking to change the land withdrawal for the candidate Edehzhie National Wildlife Area in the Dehcho region. We understand that the change would provide surface and subsurface protection for the smaller, 14,000 square kilometre area that was proposed by the Edehzhie working group. The interim withdrawal would be extended to 2013, to give sufficient time to complete the process to formalize Edehzhie as a National Wildlife Area.

## NU Statistics: Mining Helps with Nunavut Baby Boom

On July 20, Statistics Canada released its annual demographics Article: Population growth: **Canada, provinces and territories, 2010**. The report confirms the baby boom continues in Nunavut: *Nunavut's population posted an increase of almost 800 (23.0 per 1,000) in 2010. This was the highest demographic growth rate in the country. Natural increase (700) was the territory's major factor of demographic growth. As of January 1, 2011, the population of Nunavut was estimated at 33,300.*

Earlier in the month, the Government of Nunavut released its own labour force update, which showed that Nunavut employment increased by 500 (+4.4%) in the second quarter compared with the second quarter of 2010. The unemployment rate was 16.6%, 2.6 percentage points lower than the same quarter of 2010. In media interviews, the NU Government's senior economist Francois Picotte stated that mining has "created a lot of jobs, and more are coming. We expect unemployment to be alleviated as more of these mines open."

## Changes to CEAA Propose Timelines for EA Process

On July 6, Canada Gazette Part 2 includes *Establishing Timelines for Comprehensive Studies Regulations* under the Canadian Environmental Assessment Act. (CEAA). The act and its regulations apply in the Inuvialuit Settlement Region, whereas the Mackenzie Valley Resource Management Act (which still does not contain timelines) applies in the rest of the Northwest Territories.

While the Regulations are not a guarantee of timely and reasonable assessments, they are a great stride forward in setting out expectations for a timely process. The Regulations specify the information that a project proponent must provide to start the process, and these are a great improvement over the unreasonable detail previously demanded by some departments.



The gazetted text can be found at <http://www.gazette.gc.ca/rp-pr/p2/2011/2011-07-06/html/sor-dors139-eng.html>.

## **New NIRB Executive Director**

The Nunavut Impact Review Board (NIRB) will witness a change in leadership as Executive Director, Stephanie Autut is leaving to be replaced on July 22, 2011 by Ryan Barry, currently Director of Technical Services. Ryan has a B.Sc. and M.Sc. from the University of Prince Edward Island. He joined NIRB in 2007 as a Technical Advisor, and in June 2009 was promoted to the position of Director of Technical Services. NIRB is confident that the leadership transition will be seamless for all those engaged in NIRB processes. Should you have any questions regarding this transition, contact Ryan Barry at e-mail: [rbarry@nirb.ca](mailto:rbarry@nirb.ca), telephone: (867) 983-4608.

## **New GNWT Director, Diamonds**

Pietro de Bastiani has been hired as Associate Director – Diamonds with the NWT Government's Department of Industry, Tourism & Investment. Pietro has a BSc. in Geography and Environmental Studies from Trent University, where he specialized in glacial geomorphology and groundwater hydrology. Since joining the GNWT in 1990, Pietro has worked in a variety of capacities with Transportation, Executive, RWED and the NWT Energy Corporation. He has worked extensively on arctic transportation initiatives with the mining and oil & gas industries, the Federal government and NWT communities. Before government, Pietro worked for uranium producer Denison Mines Limited in Elliot Lake Ontario and Northern Saskatchewan; the Ontario Geological Survey; and Canarctic Shipping. Pietro started his new duties on July 18<sup>th</sup>.

## **New President, NWT & NU WSCC**

On July 25, 2011, Dave Grundy assumed the duties of President and Chief Executive Officer (CEO) of the Workers' Safety and Compensation Commission of the Northwest Territories and Nunavut (WSCC).

Dave joined the WSCC in June 2002 as the Manager of Communications, following a 30-year career in the RCMP. With Dave's guidance, the function of communications within the WSCC evolved to include a more public face for the Commission. As a result, Dave moved into the role of Director of Communications and Information, and then Vice President, Corporate Communications and Planning Services. In July 2010, Dave took on a new role as Vice President, Prevention Services, until his appointment as President and CEO in July 2011.

## **EKATI Mine Commits \$1.15 million to *Breakfast for Learning***

BHP Billiton EKATI Diamond Mine is pleased to announce its renewed partnership for \$1.15 million over 5 years with Breakfast for Learning Northwest Territories (NWT).

Breakfast for Learning is the leading national non-profit organization solely dedicated to child nutrition programs in Canada. BHP Billiton's contribution represents a significant investment in the NWT from participating schools across the North.

A good crowd joined Ekati's team on June 24 for the donation launch in the Great Hall of the Legislative Assembly in Yellowknife, followed by a free healthy lunch.

## **Canadian Zinc Signs 2<sup>nd</sup> Impact Benefit Agreement in Dehcho**

Canadian Zinc Corporation announced that they signed an Impact and Benefits Agreement (“IBA”) with the Liidlii Kue First Nation (“LKFN”) on June 17 for their Prairie Creek Mine in the NWT. The LKFN of Fort Simpson, NWT, is a member of the DehCho First Nations. Fort Simpson is the regional capital and largest community within the DehCho Region and is the major supply and communications centre for the Prairie Creek Mine.

Under the IBA, the LKFN has agreed to support CZN in obtaining all necessary permissions and other regulatory approvals required for the Prairie Creek Mine Project. The Agreement is intended to ensure that CZN undertakes operations in an environmentally sound manner. LKFN will appoint a qualified Monitor to monitor environmental compliance and to monitor impacts of the Mine on the environment or wildlife and to work with CZN to prevent or mitigate such impacts.

Canadian Zinc recognizes that the development and operation of the Prairie Creek Mine within the DehCho Region must provide benefits for LKFN Members. CZN has agreed to maximize LKFN Members employment in the Project, directly or through its contractors, and to give preference to LKFN businesses in the provision of goods and services and to maximize the use of LKFN businesses.

CZN and LKFN have agreed to establish a Liaison Committee to oversee implementation of the Agreement, to ensure that LKFN Members are fully informed about the Project, to ensure that proper consultation and communication are undertaken, and to facilitate and co-ordinate the delivery of business and employment opportunities and benefits from the Prairie Creek Mine to LKFN Members and businesses.

“Signing this landmark agreement and securing the support of the Liidlii Kue First Nation is a very important and historic step for Canadian Zinc and for the Prairie Creek Mine”, said Canadian Zinc Chairman, John Kearney.



“This is a very positive step for the development of the Prairie Creek Mine. It is important that the Mine has the support of the local aboriginal communities and that the LKFN Members will be able to participate in and benefit from the Project”, added John Kearney.

At the signing ceremony Chief Jim Antoine, Chief of the Liidlii Kue First Nation, said: “This Agreement with Canadian Zinc provides for participation for the Liidlii Kue First Nation in the Prairie Creek Mine in job creation, business opportunities and social benefits. The IBA also provides for environmental monitoring, oversight and reporting to ensure that the Mine operations are carried out in an environmentally sound manner. We recognize that development and operation of the Prairie Creek Mine will have an impact on the environment, and on our communities, and we must ensure that an adequate level of protection is provided and we must be satisfied that the mitigations and contingencies proposed by CZN will provide that level of protection.”

This the second IBA the company has signed; in January this year, they concluded their first agreement with Nahanni Butte.

## **Review Board Completes Public Hearings on Canadian Zinc**

The Mackenzie Valley Review Board has completed its recent public hearings of the proposed Prairie Creek Mine, forming part of the current Environmental Assessment of the company’s.

The Hearings were held June 22-24, 2011 in both Nahanni Butte and Fort Simpson, Northwest Territories, at which the Company’s proposals for the development and operation of the Prairie Creek Mine were presented and explained to the local communities. Various Technical Reports and recommendations, previously submitted by various government departments and other registered parties, were also reviewed and discussed.

Participating parties in the Public Hearings included: Canadian Zinc Corporation; Dehcho First Nations; Nahanni Butte Dene Band; Liidlii Kue First Nation; Aboriginal Affairs and Northern Development Canada; Fisheries and Oceans Canada; Environment Canada; Parks Canada; Transport Canada; Natural Resources Canada; and Government of the Northwest Territories; together with members of the public and local community and business representatives.

## **Ekati & Diavik mine rescue teams qualify for regional competition**

Congratulations to the Ekati and Diavik mine rescue teams for their hard work at the 54<sup>th</sup> annual Workers’ Safety and Compensation Commission mine rescue competition held in Yellowknife on June 10 and 11.

The two teams placed first and second in the competition, qualifying them for invitation to the 10<sup>th</sup> Biennial National Regional Mine Rescue Competition to be held in Fernie, BC later this year. The regional event will include ten teams from western Canada and the north-western United States. Diavik’s underground team won this event two years ago and will be returning as regional champions.



## **Sahtu company works on Selwyn Mobilization Project**

In April's newsletter we reported on Selwyn's successful mobilization of mining equipment and supplies via winter road through the NWT to their Selwyn Project in the Yukon.

One of Selwyn's winter road contractors was Mackay Range Development Corporation, a Sahtu First Nations enterprise from Tulita, Northwest Territories. Danny McNeely from Mackay Range has shared some photos that show the challenge they faced in completing the job.

The mining equipment and supplies were purchased by Selwyn Chihong to undertake an advanced exploration program on the XY Central deposit. The proposed underground development work is expected to commence mid-summer 2011, upon completion of the underground portal and environmental support facilities. In total, 82 B-train truck loads were hauled into the XY camp along the all-season access road.



## **Diavik partners in Yellowknife wind feasibility project**

Det'on Cho Earth Energy, Diavik Diamond Mines Inc., the Government of the Northwest Territories (GNWT) and the Canadian Northern Economic Development Agency (CanNor) have partnered to conduct a green energy study.

The weather study, which includes the installation of a weather tower, will assist in determining the feasibility of a potential wind power generation facility. The tower, now operational, will over the next few years collect wind speed and other weather data at various heights. Results of the study will be used to assist in determining the feasibility of wind power at the site.

"We believe that renewable energy has the potential to create new economic development opportunities for the Yellowknives Dene First Nation," Det'on Cho Corporation President Roy Erasmus Jr. said.

Det'on Cho Earth Energy participation includes tower installation, initial studies and assessment, tower location assessment, and permitting and coordinating the initiative. "We are optimistic that the data collected will indicate that



renewable energy from the wind can supplement the current energy requirements of Yellowknife,” said Ric Bolivar, Director of Det’on Cho Earth Energy.

Diavik’s role included donating the weather tower and shipping it from its mine site at Lac de Gras to Yellowknife. Diavik will continue to support the study by providing in-kind expertise developed during the three years it used the tower to conduct a weather data study at the Diavik Diamond Mine site.

The Canadian Northern Economic Development Agency and the Government of the Northwest Territories provided funding to assist with the business plan development and for installation respectively.

"The Government of Canada recognizes that investments to test renewable energy options for industrial application is an essential step towards reducing Northern dependence on fossil fuels", said the Honourable Leona Aglukkaq, Minister of the Canadian Northern Economic Development Agency and Minister of Health. "Our government is proud to support these initial research and business case studies for the proposed Giant Mine Wind Energy project." The partners’ contributions to this project including in kind contributions are estimated at approximately \$450,000.

“At Diavik, we continue to seek ways to support local infrastructure initiatives. It is very gratifying to see our weather data infrastructure applied to a local initiative,” said Diavik Diamond Mines Inc. Vice President Strategic Development Alasdair Martin. “Data collection is a key part of determining the viability of wind power and we at Diavik will continue to support this and other community initiatives.”

## **Snap Lake Mine Socio-Economic Report Released**

De Beers Canada has released the *Snap Lake Mine 2010 Socio-Economic Report* summarizing the company’s contribution to the economic, social and cultural well-being of the Northwest Territories.

“The year 2010 was focused on growing the mine workforce and increasing production safely,” said Brad Corrigan, Mine General Manager. “I am proud of the work done by the entire Snap Lake Mine team.”

Highlights of the 2010 Socio-Economic Report include:

- \$145.8 million spent in 2010, bringing De Beers’ total investment on Snap Lake’s construction and operations to \$1.536 billion at the end of 2010
- Of the total expenditure, \$100 million was spent with NWT companies and \$45.7 million was spent with Aboriginal companies
- 635 person years of employment provided at Snap Lake Mine in 2010, an increase of 205 person years over 2009



- \$2.98 million in social investment spending during 2010, most of which was focused on education, training and literacy initiatives
- 22,422 hours of total instruction at our learning centre
- 48 total trainees since inception, exceeding our commitment
- Opening of the mine’s 400-bed permanent accommodation complex
- \$73,000 raised for the Stanton Territorial and Hay River Hospital Foundations

“Snap Lake continues to be challenged by the lack of skilled workers in the NWT, but we’re committed to working with our training partners to address this, and we remain focused on long-term success,” said Corrigan. “As we continue to ramp up to full production by the end of 2012, we will continue to support training initiatives that bring NWT residents new employment opportunities.”

Copies of the report are available for download here:

[http://www.debeerscanada.com/files\\_3/pdf\\_documents/2010-Snap-Lake-Socio-Economic-Annual-Report.pdf](http://www.debeerscanada.com/files_3/pdf_documents/2010-Snap-Lake-Socio-Economic-Annual-Report.pdf)

## **Lutsel K’e Dene Acquire Ventures West Trucking Interest**

Denesoline Corporation, the economic arm of the Lutsel K’e Dene First Nation (LKDFN), announced it has acquired an interest in Ventures West Transport LP, a bulk carrier specializing in hauling fuel and fertilizers among other bulk products.

Ventures West Transport LP transports a substantial amount of the winter road fuel requirements of the diamond mines in the Northwest Territories. Other areas of specialization include bulk fuel hauling in northern Saskatchewan, Alberta, British Columbia, and in the Yukon via the Alaska Highway. Ventures West Transport LP has its own large fleet of Super B tankers and access to numerous leased operators.

“This is a proud day for the Denesoline Corporation and the people of Lutsel K’e. We have made a significant financial investment in a highly successful company that permits us to expand our business beyond the Northwest Territories and into jurisdictions such as Western Canada, the Yukon and Ontario,” stated Denesoline Corporation President, Tom Lockhart.

Ventures West Transport LP was incorporated in 1989 by Mr. Glenn Bauer, and in 2009 the Tli Cho Government, through Tli Cho Logistics Inc., purchased a majority interest in the company from Mr. Bauer. The announcement of



Lutsel K'e's investment brings together a new strategic partnership between Lutsel K'e Dene First Nation, the Tlicho and Mr. Glenn Bauer.

## **Kivalliq Energy Receives Inuit Excellence Award**

**Kivalliq Energy Corporation** has been awarded the 2010 Environmental Excellence Award, presented by the Kivalliq Inuit Association (KIA). The Company has been acknowledged for outstanding environmental stewardship at Kivalliq Energy's Angilak Property in the Kivalliq Region Nunavut.

Kivalliq would also like to congratulate Allison Rippin-Armstrong, the Company's permitting and environmental consultant, who was jointly awarded the Mike Hine Award, in recognition of an individual who has made significant contribution to the mining industry in Nunavut.

"The Kivalliq team is dedicated to adhering to high environmental and safety standards," stated Kivalliq CEO, Jim Paterson. "It is a great honour to receive this award as public recognition by the KIA. We will remain focused on environmental stewardship in our exploration efforts at the Angilak Property."



Stanley Adjuk, Acting Vice President, KIA, and Jeff Ward, President Kivalliq Energy

The awards were presented to both Jeff Ward, President of Kivalliq Energy Corporation and Allison Rippin-Armstrong at the 2011 Nunavut Mining Symposium from April 5 -7, 2011 in Iqaluit, Nunavut.

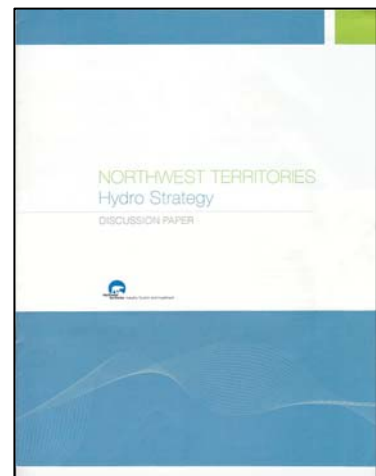
## **Comments wanted: NWT Hydro Strategy Discussion Paper**

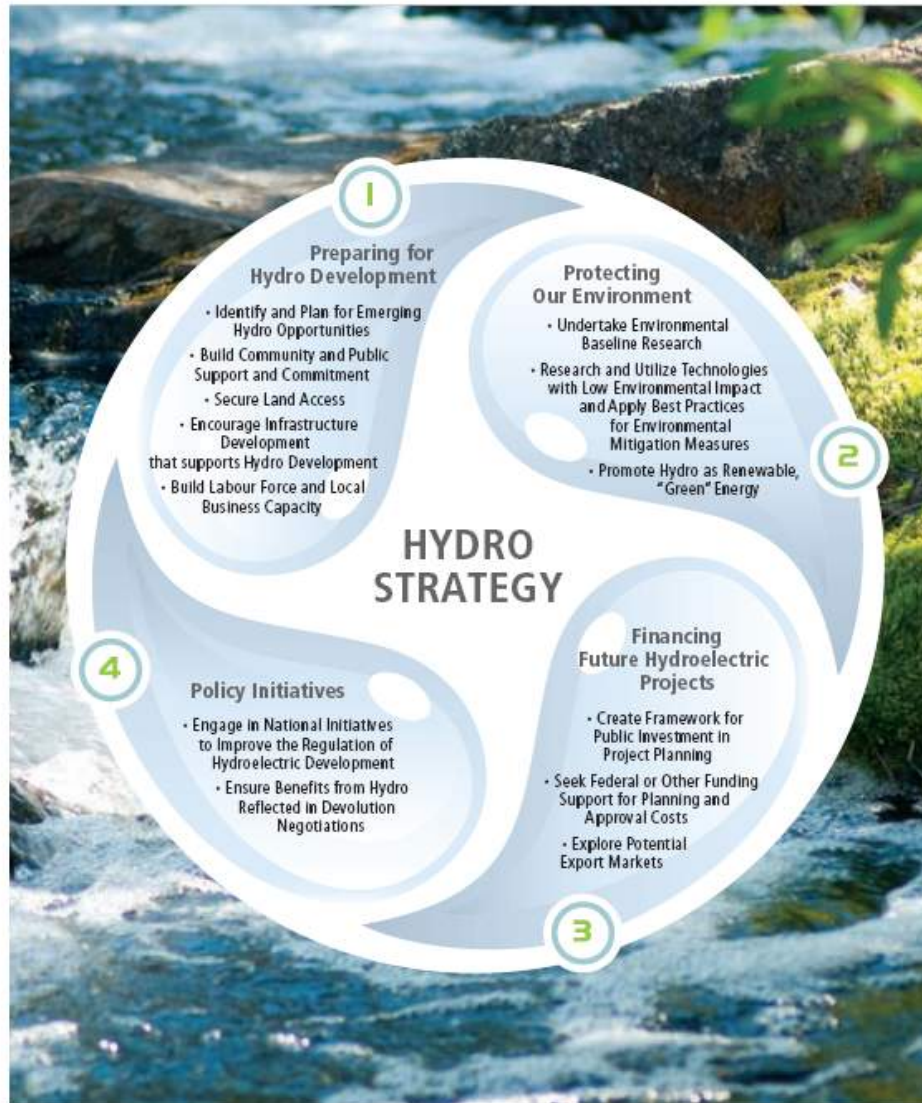
The NWT Government's draft NWT Hydro Strategy proposes a vision and guiding principles for hydroelectric development in the NWT. The intent of the Strategy is to prepare the NWT for hydro development by positioning it to take advantage of emerging opportunities.

ENR is seeking answers to the following questions:

- 1) Do you agree that the Government of the Northwest Territories should continue to investigate the NWT's hydro potential, and continue to undertake baseline environmental and feasibility studies?
- 2) Is the vision of the strategy sound? Do you have any concerns regarding the principles as reflected in the draft Strategy?
- 3) Are any strategies and actions missing from the Hydro Strategy? (see graphic on next page)

If you have comments, contact: [nwtenergy@gov.nt.ca](mailto:nwtenergy@gov.nt.ca).





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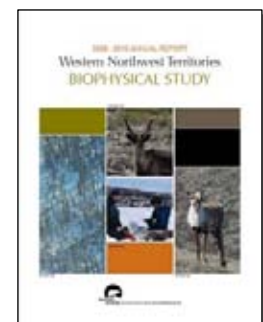
## New NWT Government Environmental Publications:

### ***Western NWT Biophysical Study***

The Government of the NWT has released the *Western NWT Biophysical Study* was established to help ensure that baseline data necessary to assess, mitigate, and monitor the environmental impacts of proposed developments in the Western NWT is available to industry, regulators, communities and government.

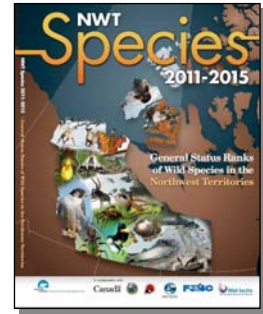
The report is available online at:

[http://www.enr.gov.nt.ca/live/documents/content/Annual\\_Report\\_NWT\\_Biophysical\\_Study\\_2008-2010.pdf](http://www.enr.gov.nt.ca/live/documents/content/Annual_Report_NWT_Biophysical_Study_2008-2010.pdf).



### **New Publication: NWT Species 2011-2015**

The Government of the NWT has released the *NWT Species 2011-2015* their latest and third in a series of reports to be published every five years. The previous reports on the general status ranks of species in the Northwest Territories were published in 2000 and 2006. The *NWT Species 2011-2015* report presents the general status ranks of 3,429 species known or expected to be present in the Northwest Territories (NWT).



The report is designed to provide priority lists of species that need more detailed assessment and may need special protection efforts in the future; raise awareness of the current status of individual species that were found to be sensitive to human activities, and those for which more information is needed; stimulate public input into a common knowledge base to help in the next general status evaluation; and provide a reference tool to be used by wildlife management agencies, co-management boards, impact assessment agencies, industry, governments, and all northerners when making decisions related to wildlife.

The ranking system used by the program is shared by all jurisdictions in Canada, and is similar to systems used by other countries. This tool helps us set conservation priorities territorially, nationally, and internationally – especially across the circumpolar regions of the world

### **New Mining Interest in Nunavut: Iron in Belcher Islands**

A whole new area of interest for iron has emerged in the Belcher Islands in southern Hudson Bay. New company, Canadian Orebodies, has acquired a historic deposit discovered and explored in the 1950s. The Property is host to a significant unclassified historical resource estimate of 907 million tonnes grading 27% iron as defined in the government publication, "Northern Mineral Policy Series; NM1: Mines and Important Mineral Deposits of the Yukon and Northwest Territories, 1982"



The project is already creating opportunities for residents of Sanikiluaq, the only community on the islands. In an interview with Nunavut's newspaper Nunatsiaq News, Sanikiluaq resident Jonasié Emikotailuk who worked as a bear guard for the company said, "This is what a community needs, a source of income which enables welfare recipients to earn their own means of survival money-wise."

### **Yukon Court Dismisses First Nation Application to Quash Selwyn Project Decision**

In early July, the Supreme Court of Yukon issued a decision to dismiss an application by the Liard First Nation to quash, suspend or stay the Yukon Government Decision Document which was the final step in the environmental assessment of the Selwyn Project's underground advanced exploration program pursuant to the Yukon Environmental and Socio-economic Assessment Act.

In November 2010, the Liard First Nation applied to the Supreme Court of Yukon to quash, suspend, or stay the Decision Document issued by the Yukon Government Director of Mineral Resources which allowed for the Selwyn Project's advanced underground exploration activity to proceed to the regulatory stage (for licencing and permitting). In the application the Liard First Nation submitted that the Evaluation Report prepared by the Yukon Environmental and Socioeconomic Assessment Board was deficient, that the Director of Mineral Resources failed to meet the statutory requirements of the Yukon Environmental and Socioeconomic Assessment Act in the issuance of the subsequent Decision Document, and that the Yukon Government had failed in its duty to consult with the Liard First Nation.

In his decision, Justice Veale concluded that the Evaluation Report prepared by the Yukon Environmental and Socioeconomic Assessment Board reasonably considers the significance of the environmental effects of the Selwyn Project. Additionally, Justice Veale concluded that the Director of Mineral Resources had met the statutory obligation when issuing the Decision Document. He further concluded that the Yukon Government had adequately addressed its duty to consult with the Liard First Nation and that there was no breach in the duty of fairness.

The decision by the Court removes uncertainty in regards to the validity of the Type B Water License and Mining Land Use Permit for the Selwyn Project. These licences allow for ongoing exploration of the Selwyn Project and the implementation of a 200,000 tonne underground exploration program.

Selwyn's focus is the exploration and development of its properties that make up the Selwyn Project in the Yukon, which hosts large tonnages of zinc-lead mineralization. The known deposits have the potential for large scale production, and the potential to provide a secure supply of zinc and lead to meet the future needs of these markets in Asia and beyond. The recently announced acquisition of the assets of ScoZinc Limited provides Selwyn with a second opportunity for growth and the potential for production revenues in 2012.

The Selwyn Project is operated by Selwyn Chihong Mining Ltd., the joint venture company equally owned by Selwyn and Chihong Canada Mining Ltd., a wholly-owned subsidiary of Yunnan Chihong Zinc and Germanium Co. Ltd.

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## **Nunavut Diamond Driller Training Launched**

On July 25, Arviat Mayor Bob Leonard announced approval of the Arviat Diamond Driller's Training (ADDT) Program. This 10-week program will be offered to 12 Arviat students beginning in September of 2011. A second course is scheduled for January 2012 and will be open to residents of other Kivalliq communities.

"The equation seems pretty simple." Mayor Leonard stated. "There is a big demand for diamond drillers to support mining exploration and development in the region. There is a huge and willing labour force in the Kivalliq. We already have over 50 people from Arviat working in the mining industry, but we have many more looking for work. This training course will provide the skills residents need to get these jobs. Of course, this could not happen without our partners. We thank each of them for their encouragement, support and generosity". The ADDT program will combine classroom learning with hands-on training on a real diamond drill. It will cost nearly \$1 million for the equipment and tools necessary to establish the program and about \$250,000 for each class of 12 students.

Program Partners include:

- Government of Nunavut, Department of Economic Development and Transportation
- Agnico-Eagle Mines Ltd.
- Orbit Garant Drilling Services
- Boart Longyear Canada
- The Kivalliq Mine Training Society
- Nunavut Arctic College
- Northern College
- The Kivalliq Inuit Association
- The Contaminants Remediation Training Organization of Canada
- Nunavut Economic Development & Transportation.

## **Meadowbank Mine Returns to Full Operations**

Agnico-Eagle Mines Limited reported June 28 that operations at the Meadowbank mine have fully recovered from the March fire which completely destroyed its kitchen and dining room canteen facilities. As a result of the fire, staffing on the property was greatly reduced, although the mill continued to operate from the low grade stockpile. A temporary replacement kitchen was airlifted to Meadowbank and installed in early April, after which full staffing, mining and construction activities resumed. The permanent replacement kitchen has been ordered and will arrive this summer and will be completed by the end of this year.

## **Nunavut Language Act Proceeding**

On June 8, a proposed implementation plan for Nunavut's language legislation was tabled in the NU Legislative Assembly. "The Uqausivut Comprehensive Plan is a practical, realistic approach to implementation," said James Arreak, Minister of Languages. "Our goal is to deliver concrete results that will ensure the substantive equality of all official languages in Nunavut."



The plan sets out specific strategies to ensure the prominence of the Inuit Language in every area of daily life in the territory. It also puts forward measures to improve government services to Francophones. The Inuit Language Protection Act and the Official Languages Act call for the development of a comprehensive implementation plan that sets out the specific actions required to achieve Nunavut's language goals.

The proposed plan was developed using the results of two years of consultations with Nunavummiut. The Government of Nunavut is now inviting Nunavummiut to review and comment on the plan before it is finalized this fall.

The key document is available at [www.cley.gov.nu.ca](http://www.cley.gov.nu.ca) or by calling the Department of Culture, Language, Elders and Youth at (867) 975-5500. The website also provides instructions for submitting comments on the proposed Plan, due by August 26, 2011.

## **Nunavut Mining Recorders Office Moves**

The Mining Recorder's Office in Iqaluit has moved, from Bldg. 918 to Avenue 1104B (Inuksugait Plaza - Green). The office is responsible for subsurface rights administration of Crown land and is your point of contact for information on subsurface rights on Crown land administered under the Northwest Territories and Nunavut Mining Regulations (with the exception of royalties' provisions). Through this office, you can apply for prospecting licences and permits, mining claims and leases, as well as coal leases, coal permits and coal exploration licences. Becky Leighfield (Nunavut's Mining Recorder) can be reached at 867-975-4281.

## **Nunavut Waters Regulations Technical Meetings**

On April 20, 2011, the Land and Water Management Directorate, Indian and Northern Affairs Canada referred the Nunavut Water Board to its draft "Nunavut Waters Regulations" pursuant to subsections 82(1) and 82(2) of the Nunavut Waters and Nunavut Surface Rights Tribunal Act. Interested parties, including representatives from the mining industry, were invited to attend a series of Technical Meetings/Pre-Hearing Conferences in Iqaluit and Yellowknife in late May/early June.

The new Nunavut-specific water regulations will replace the Northwest Territories Waters Regulations, currently in force in Nunavut. Once in effect, the new regulations will apply to any person who uses water or deposits waste into waters in Nunavut. The new regulations establish a process by which certain uses of water and deposits of waste would require an "Approval" from the Nunavut Water Board, rather than a "Licence".

Representatives from the Chamber and its members attended both pre-hearing sessions. The formal Public Hearing is tentatively scheduled to take place in Iqaluit, Rankin Inlet, and Cambridge Bay the week of September 12, 2011.

## **Remediation Guidelines for Abandoned Mine Openings in Northern Canada**

The Aboriginal Affairs and Northern Development Canada (AANDC) Northern Contaminated Sites Program (NCSP) is responsible for the remediation of a number of abandoned mine sites in the Yukon Territory, the Northwest Territories and Nunavut. At these sites, unsecured and hazardous openings (i.e. adits, shafts and stopes), leading to abandoned underground workings, often pose significant physical hazards to humans and wildlife. Mitigating the associated risks relies heavily on controlling access through the closure of mine openings. Common closure approaches include fencing, polyurethane foam plugs, concrete structure seals, and rock backfill, among others. However, in Northern Canada, unique challenges often require different approaches and considerations to accommodate the remoteness of the sites, presence of permafrost, extremes of climate, potential cultural effects, direct and indirect costs and the sensitivity of the surrounding environment.

The “Remediation Guidelines for Abandoned Mine Openings in Northern Canada” were developed by BGC Engineering Inc. with input from AANDC staff, various regulators, consultants, contractors and manufacturers from jurisdictions throughout Canada and the United States, for the purpose of providing information on:

- The current standard of practice in Canada with respect to the closure of abandoned mine openings.
- Specific considerations for the application of various closure measures in northern locations
- Guidance on the selection of appropriate closure methods
- Considerations with respect to the cost of various closure methods
- Guidance for post-construction performance monitoring requirements

These guidelines will form a basis for which AANDC staff, regulatory bodies and stakeholders can implement a standardized approach to selecting the most appropriate closure method for abandoned mine openings, through the collection of site specific information.

For information regarding this report, please contact: Lou Spagnuolo at Aboriginal and Northern Affairs Canada’s Northern Contaminated Sites Program in Gatineau at:

[Lou.spagnuolo@ainc-inac.gc.ca](mailto:Lou.spagnuolo@ainc-inac.gc.ca).

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## Mines & Promising NWT Mine Projects

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

Project Name	Owner(s)	Commodity	Description	Status
Ekati Mine	BHP Billiton, Chuck Fipke and Stu Blusson	Diamonds	Canada's first and largest diamond mine, 310 km. NE of Yellowknife. Open pit and underground. Jobs: 1,450	Annual sales from EKATI represent approximately 3% of current world rough diamond supply by weight and 5% by value. Est'd mine closure: 2019.
Diavik Mine	Rio Tinto and Harry Winston	Diamonds	Canada's largest diamond producer, 300 km NE of Yellowknife. Open pit and underground. Jobs: 900	Projected to produce over 100 million carats of diamonds over a mine life of 16 - 22 years, with expected annual diamond production peak of ~ 10 million carats. Est'd mine closure: 2023.
Snap Lake Mine	De Beers	Diamonds	Canada's first all underground diamond mine, 220 km NE of Yellowknife. Jobs: 728	Commenced commercial production on January 16, 2008 and the Official Mine Opening took place on July 25, 2008. Est'd mine closure: 2028.
Cantung Mine	North American Tungsten	Tungsten	Cantung is in the Nahanni area of western Northwest Territories, ~ 300 km by road NE of Watson Lake, close to the Yukon border.	Cantung suspended operations in October 2009 and resumed production in October 2010.
Nechalacho	Avalon Rare Metals	Rare earth metals	Proposed underground mine 100km SE of Yellowknife. Estimated mine jobs: 200	Developer's Assessment Report (DAR) submitted May 20, 2011. Prefeasibility study updated July 2011. IBA negotiations underway.
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	DAR submitted on May 20, 2011. The Review Board is conducting a conformity review to ensure the DAR meets the requirements of the Terms of Reference.
Yellowknife Gold	Tyhee NWT Corporation	Gold	Proposed open pit mine 88 km NE of Yellowknife. Estimated mine jobs: 238	DAR submitted on May 11, 2011. Feasibility Study commencing in July 11, 2011 is expected to take under 12 months.
Prairie Creek	Canadian Zinc Corporation	Lead-zinc-silver	Proposed underground mine 120 km west of Ft. Simpson within the Nahanni National Park. Estimated mine jobs: 220	Public EA hearings completed in June 2011. IBA's completed with 2 First Nations.
Gahcho Kue	De Beers & Mountain Province	Diamonds	Proposed open-pit diamond mine approximately 180 km ENE of Yellowknife, NT. Estimated mine jobs: 360	On June 14, project owners: <ol style="list-style-type: none"> <li>1. Approved the Gahcho Kué feasibility study with agreed revisions and clarifications;</li> <li>2. Approved the execution of the necessary development work for the Gahcho Kué project; and</li> <li>3. Mandated the Gahcho Kué project operator to prepare a plan and budget for the development of the Gahcho Kué mine.</li> </ol> <p>The plan and budget, once approved by the JV partners, will serve as the basis for a final investment decision, which is expected to be made once the partners have clarity on the progress of the environmental review currently underway.</p>
Pine Point	Tamerlane Ventures	Lead-zinc	Proposed underground mine east of Hay River, NT. Estimated mine jobs: 225	Crews were mobilized to site in April to perform geotechnical drilling at proposed building locations. Financing arranged in July for processing equipment purchase.
Courageous Lake	Seabridge	Gold	Proposed open pit mine 240 km northeast of Yellowknife	Preliminary Economic Assessment released in June 2011.

## Mines & Promising Nunavut Mine Projects

The following table describes Nunavut mines and a number of leading mineral development projects in Nunavut. Preliminary estimates are provided for workforce size if the projects become mines.

Project	Owner(s)	Commodity	Description	Status
Meadowbank Gold Mine	Agnico-Eagle Mines	Gold	Open pit mine located in the Kivalliq Region, 300 km west of Hudson Bay and 70 km north of Baker Lake. Mine jobs: 450	Mill began commercial production in March, 2010
Mary River	Baffinland Iron Mines	Iron	Proposed open pit mine with railway and port; 936 km north of Iqaluit with 5 known deposits. Estimated construction jobs: 3,500 Estimated mine jobs: 715	Expect final Environmental Impact Statement (EIS) guidelines by mid-November, 2011
Kiggavik	AREVA Resources	Uranium	Proposed uranium mine 80 km west of Baker Lake. Estimated Construction jobs: 600 Estimated mine jobs: 500	Expect draft EIS to be submitted by November 30, 2011
Doris North/Hope Bay	Newmont Mining Corp	Gold	Proposed gold mines 130 km south of Cambridge Bay and covers the majority of the Hope Bay Greenstone Belt. Estimated mine jobs: 300	Type A water license amendments exempted from further assessments by Nunavut Impact Review Board, January 2011.
Jericho Diamond Mine	Shear Diamonds Ltd.	Diamonds	Project to reassess viability of reopening the former diamond mine, 255 km SSE of Kugluktuk. Estimated mine jobs: 150-200	Summer 2011 plans include recovery plant tests and draining water from the pit. Public Hearing scheduled for October 12, 2011 in Kugluktuk.
Meliadine Gold	Agnico-Eagle Mines	Gold	Possible gold mine, 5 deposits, the largest of which is the Tiriganiaq deposit, 25 km northeast of Rankin Inlet. Estimated Workforce Estimated construction jobs: 600 Estimated mine jobs: 350 - 400	90,000 metres of diamond drilling, an underground bulk sample, new accommodations at the exploration camp and infrastructure upgrades.
Hackett River	XStrata Zinc	Zinc, silver, copper, lead and gold	One of largest undeveloped VMS massive sulphide deposits in the world. 104 km south-southwest of Bathurst Inlet. Estimated mine jobs: 300	Sabina announces sale of Hackett River to XStrata Zinc, June 2, 2011.
Back River	Sabina Silver and Gold Corp.	Gold	Approximately 60KM away from Hackett River and adjacent to the Wishbone Greenstone belt. Consists of the George and Goose Lake deposits and holds significant gold resources.	2011 focus is to extend and expand new deposits at Llama and Umwelt, and identify potential new deposits on the Goose claim block and elsewhere on the Back River property.
High Lake	MMG Resources Inc.	Copper, Zinc, Gold, Silver	1710 hectare, copper-zinc-silver-gold property, 190 km east-southeast of Kugluktuk. Estimated mine jobs: 500	NIRB requires that MMG provide a comprehensive project update by Jan. 6, 2012.
Izok Lake	MMG Resources Inc.	Copper, Zinc, Gold, Silver	High-grade zinc-copper-lead-silver deposit, 255 km SW of Kugluktuk. Estimated mine jobs: 760	MMG believes project will advance to full feasibility study and permitting phase by the end of 2012.
ULU & Lupin	Elgin Mining Inc.	Gold	Now closed Lupin mine produced 3.37 million ounces over 23-year mine life. ULU deposit contains	Elgin purchasing both properties from MMG Resources.
Roche Bay	Advanced Exploration	Iron	Indicated resource of 323 million tonnes located next to a natural deep water harbour on the east coast of the Melville Peninsula in Nunavut.	Completed first round of geotechnical drilling for port development study

