

Northern Mining News

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QUICK MINING STATS 2007:

- Four diamond mines in operation and one tungsten mine
- Value of mineral production (2006) \$1,600,000,000
- Value of mineral exploration (2006) \$386,000,000

Welcome Back!

The Chamber of Mines is proud to present its rejuvenated and revitalized periodic newsletter, *Northern Mining News*. This newsletter began in early 1988 as *Mining Industry News* back when Dave Nutter was manager of the chamber.

In those days, the mining industry was dominated by the Yellowknife and Lupin gold mines, and lead and zinc mines at Pine Point, Polaris, and Nanisivik. The industry was facing some tough times as the price of gold was dropping against rising inflation, and there was an economic recession in the United States. Diamonds were discovered shortly thereafter and our industry and the northern economy was forever changed.

The newsletter was reformed into *Northern Mining Notes* in 1990 and continued providing

news, statistics and information on the state of the NWT mining industry until 1998.

In 2008, with additional staff on board, the Chamber of Mines decided to bring the newsletter back.

Northern Mining News is a newsletter primarily for members of the Chamber of Mines so that our members can be updated on mining and exploration activities in the north.

It will be available for download from our website and sent by email to the Chamber of Mines membership and government representatives. We plan to put out the newsletter on a quarterly basis.

The industry is experiencing a worldwide commodities price boom and should be celebrating

increased exploration activity. That is the case in Nunavut but unfortunately, due to a stifling regulatory regime in the NWT, it has experienced a drop in exploration expenditures. Industry faces some difficult challenges in 2008 and the Chamber hopes to work towards solutions.

Our new staff member, Ryan Silke, is a recent graduate of the University of Alberta and joined us in September. He joins Cheryl Wourms and me on Chamber staff. We appreciate all the support that we have received from industry, government, and individuals and we hope you enjoy the newsletter.

Mike Vaydik,
General Manager
NWT & Nunavut Chamber
of Mines

What is the Chamber of Mines?

The NWT & Nunavut Chamber of Mines, which continues to serve companies operating in the NWT and Nunavut, has been the voice of the Northern mining and exploration industry since 1967.

Its goals are to promote the industry and the North to Northerners, Canadians, and the

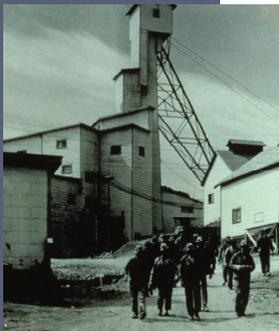
world at large. It continues to speak out on industry concerns and issues. It advises governments, investors, the media, schools and Universities, and the public on industry positions and initiatives.

Major issues include land claims, land access, the environment,

northern infrastructure, safety, welfare, mineral policy, and employment.

Membership includes mining and mineral exploration companies, the service industry, and prospectors. The Chamber currently has over 1,000 corporate and individual members.

History of the Chamber of Mines



The years leading up to 1967 saw an increased amount of attention directed towards governmental affairs in the NWT. As the government became aware of the presence of the mining industry and the need for a center of contact, it was suggested that a chamber be formed.

The original founding meeting was held in February 1967. Some of the founding members included Bob Spence, Frank McCall, Norm Byrne, and Chuck Vaydik.

In the early years the Chamber

was operated by volunteers within the mining and mineral exploration industry, but by the late 1970s the workload increased and staff were hired.

Some of the major issues that the Chamber dealt with in the 1980s-1990s included environmental pressure on operating mines, land claims, new safety policies, higher operating costs and lower metal prices, and negative attitudes towards the industry in general. Of particular concern was the idea of banning uranium exploration, which the chamber successfully

lobbied against. It also had to deal with the effects of a deadly strike at Giant Mine in Yellowknife, but at the same time it witnessed a wave of exciting new activity surrounding the discovery of diamonds.

The issues the industry faced 30 years ago are quite similar to those it faces today, and the Chamber of Mines continues to act as a strong voice. Mining is the north's top source of economic revenue and it must be protected at all costs, or the north as we know it will cease to exist.

*The 2007
Geoscience Forum
in Yellowknife
attracted 893
delegates
compared to 844
in 2006*

Geoscience Forum

The 2007 Geoscience Forum in Yellowknife was another great success!

Held on November 20-22, the conference attracted 893 delegates, including service providers at the trade show and those making presentations.

Some of the highlights include the 2nd annual Gala sponsored by De Beers Canada Inc,

where a live and silent auction raised almost \$40,000 for the Nunavut Literacy Council. Two keynote talks were very well attended. Dr. Tim Patterson of Carlton University gave a talk on Climate Change, and Dr. Steve Grasby with the G.S.C. spoke about geothermal power potential in Canada.

Technical talks at this year's

conference covered topics such as environmental sciences, remediation, consultation, diamonds, and geoscience education and outreach.

Geoscience would not be possible without the help of all the volunteers. Planning is already underway for next year's conference, scheduled for *November 18-20, 2008*.



Tony Keen

2007 Annual General Meeting

The Chamber of Mines' annual general meeting was held on November 21, 2007 at the Copper Room of the Yellowknife Inn.

A special presentation was made to honour Tony J. Keen who has been inducted as an honorary member of the Chamber of Mines in recogni-

tion for all his work in the industry.

A new board of officers and directors was then elected, and we welcome two new directors, Barry McCallum of Areva Resources Ltd. and Jon Jaque of Cascom Ltd.

Officers are Lou Covello,

president; John Laitin, vice president Nunavut; Trevor Teed, vice president NWT; Richard Morland, secretary; and Gord Clarke, secretary.

Please visit our website for a complete list of directors (www.miningnorth.com)

News from the Industry

Diavik Expansion

Diavik Diamond Mines Inc. has announced major expansion plans. Its partners have agreed to spend \$560 million for an expanded underground project which will boost the life of the mine beyond 2020. The underground workforce will be expanded to about 200 when in full production. It will be a major boost to our economy as most of the spending will be in the north.

Snap Lake in Production

De Beers Canada Inc announced in October 2007 that diamonds are now being produced at Snap Lake, Canada's first underground diamond mine.

Jericho Mine in Trouble

Nunavut's only producing mine is in financial trouble after its owner Tahera Diamond Corporation sustained major loses in 2007. As of September, the company has incurred a deficit of over \$143 million. Tahera stock is trading far below last year's average

Miramar Takeover

Meanwhile, the Hope Bay gold project in Nunavut, possibly the next producing mine in the territory, is about to change hands as Newmont Gold takes over Miramar Mining. It was recently announced that the Canadian Government has approved the merger plan.

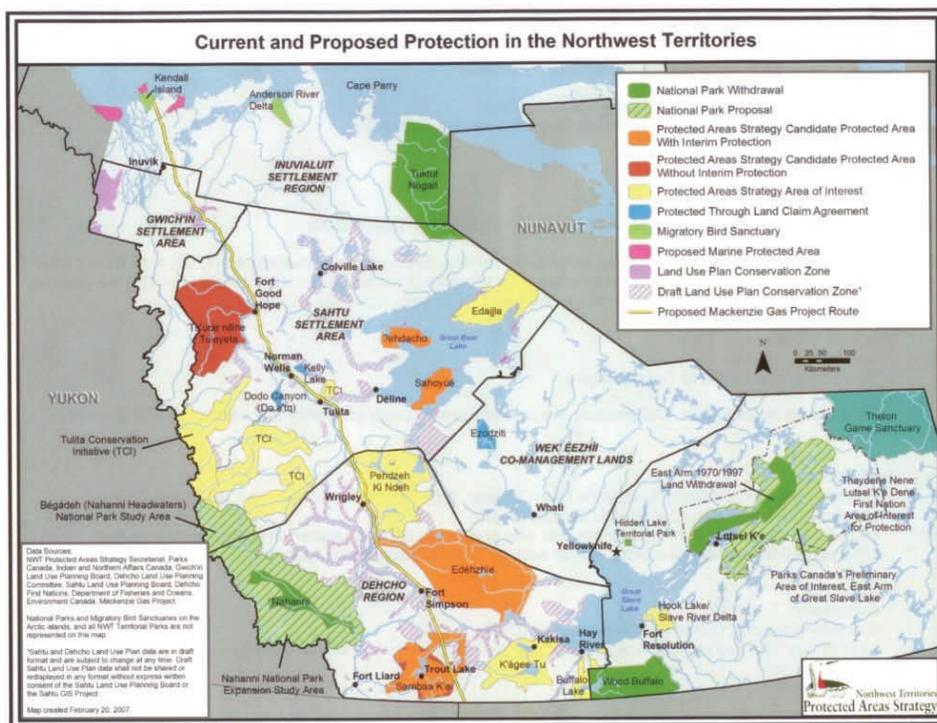
Meadowbank

Ownership of the Meadowbank gold mine in the Baker Lake area of Nunavut has changed over from Cumberland Resources to Agnico-Eagle. Road construction from the barge resupply point at Baker lake to the minesite is underway.

Northern Regulatory Improvement Initiative

The Chamber of Mines is participating in the Federal Government's review of the north's current regulatory regime, headed by Neil McCrank of Calgary. The Chamber

hopes that the process will be beneficial to the mining industry which is currently burdened by several problems, including lack of timelines and unnecessary full environmental reviews of grassroots exploration projects. A working group, including the Prospectors and Developers Association (PDAC) and the Mining Association of Canada (MAC) has been struck to provide industry input Mike Hardin, a Vancouver lawyer well known in northern mining and exploration circles, has been retained to coordinate the industry response. Neil McCrank's report should be complete in March 2008.



Protected Areas Strategy

The Chamber of Mines sits as an advisor on the Protected Area Strategy, a body composed of governments and organizations with a mandate to create a network of protected areas in the NWT.

While the Chamber is not against the creation of parks, it is naturally concerned with the quantum of protection especially if it means the withdrawal of key geological territory. While not a part

of the PAS, the expansion of the Nahanni Park and East Arm Park is a major concern since there is huge mineral potential in the areas, worth millions of dollars for the northern economy.

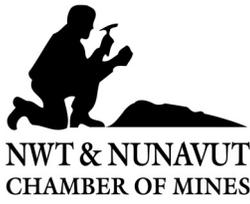
The Chamber of Mines urges caution both to government and communities as they plan these parks. Don't alienate the north's most important industry. It represents our future prosperity.

Proposed Protected Areas would occupy over 16% of the NWT's land mass.

Current PAS Initiatives:

- Edehzhie (Horn Plateau)
- The Ramparts
- Sambaa K'e (Trout Lake)

For more information, visit www.nwtwildlife.com/pas/



**NWT & NUNAVUT
CHAMBER OF MINES**

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Obituary — Brian Weir (1939 - 2007)

We are all saddened to learn of the passing of Brian Weir on December 6, 2007 at his home in Vernon, B.C., after a lengthy battle with cancer. He had recently been honoured by the Chamber of Mines as a life-time member.

Brian was a longtime friend of the exploration industry in the NWT. After graduating with a BSc in math and geology from the University of BC, he worked as a mine geologist in Ontario and Manitoba. He moved north and worked at Terra silver mine on Great Bear Lake in 1973, and settled in Yellowknife the year after and worked with Shorty Brown and Bill Knutsen of Precambrian Mining Services Ltd. Eventually Brian started up his own company, Barrenlands

Exploration Services, and worked across the north to do contract exploration, staking, and assessment work for various mining companies.

In partnership with Mike Magrum and Max Braden, Brian formed Northern Geophysics in 1987. He was one of the early stakers during the 'Great Diamond Rush of 1992' and had many stories about his experiences during wild and risky staking jobs.

Brian Weir was well respected by his northern friends and colleagues. He had a great sense of humour and a wide range of knowledge on the north, its resources, its history, and its potential.

He retired and moved south in 2000 but still maintained a good connection



to the north and its people and issues. He will be missed by many not only in the north but across the country.