



March 2010 Activities

REGULATORY AND LAND ACCESS ISSUES

Bathurst Caribou Management Plan

The Wek'èzhìi Renewable Resource Board (WRRB) held Public Hearings in the Tlicho community of Bechoko from March 22-26, 2010 to discuss a management plan for the Bathurst caribou. The Chamber of Mines submitted a brief on the caribou issue to the WRRB in advance of the Hearing and acted as an observer. The Hearing was adjourned until May 2010 to allow the Tlicho Government more time to come to terms with the GNWT on the issue of traditional harvesting.

The Chamber submission asked that industry be included in the development of any management plan as it may influence exploration and development. The mineral industry is happy to work towards a strategy and management plan that does not limit or ban mineral activity in the Slave Geological Province. One of the ideas moving forward is for the industry to be more proactive on the caribou issue. The Chamber Board discussed projects to help alleviate public concerns about the impact of development on caribou. One idea is to develop a 'Best Practices' guide for working around caribou, which could be applied to mineral exploration, mining, and any other type of development activities. The active diamond mines already have their own adaptive management programs to help mitigate impacts on local wildlife. The Chamber will investigate compiling this information and hiring a contractor to develop a book/pamphlet on the subject. The Chamber also intends to meet with the GNWT to discuss the management plan.

Nahanni Nááts'ihch'oh National Park

Parks Canada is currently undertaking public consultations for the proposed Nááts'ihch'oh National Park, located at the headwaters of the Nahanni within the Sahtu Settlement Area (the northwest extension of Nahanni National Park). A Mineral and Energy Resource Assessment (MERA) was completed in 2007. Three boundary options have now been proposed by Parks Canada and are under consideration by government and communities. Copies of the maps showing the three boundary options and the results of the mineral mapping are available by contacting the Chamber office.

The Chamber of Mines and some of its member companies have been in dialogue with Parks Canada, and a formal consultation meeting was held on March 22, 2010 in Yellowknife. The Chamber of Mines will be pushing for the high-mineral potential areas to be excluded from the park and will encourage Parks Canada to disclose comparative socio-economic information on potential mineral development in the hypothetical case that mining projects are built within the proposed park expansion areas. We think this is important information for the communities to digest and compare as the economic opportunities from mineral exploration and mine development have the potential to far outweigh the economic opportunities from the creation of a Park. The position of the Chamber will focus on 'opportunities lost' if the new park absorbs those mineral rich areas.

Chamber members and industry representatives with an interest in mineral potential along the NWT-Yukon border are encouraged to get involved and discuss options for the park boundary.

INAC and CanNor Presentations in Toronto

In Toronto, on March 9 while at the PDAC, Chamber staff attended an information session on a number of INAC/CanNor initiatives and updates. These included: the Northern Regulatory Improvement Initiative, the Northern Project Management Office, the Nunavut Land Use Planning and Impact Assessment Act, Reclamation Security, and Regulation Changes including Land Use, Quarry, NWT Water Act, and the NWT & Nunavut Mining Regulations.

For the Northern Regulatory Improvement Initiative (McCrank), INAC reviewed some of the work being carried out, including: amendments of various regulations, support of land use planning, increased board training, supporting a second environmental audit, and monitoring of cumulative impacts. INAC is also in the process of developing timelines for regulatory functions and reviewing practices for reclamation security and double-bonding issues.

INAC then gave an overview of the Northern Project Management Office (NPMO) and what this will mean for the regulatory system in the north. The Northern Project Management Office is being set up under CanNor (Canadian Northern Economic Development Agency). The NPMO is responsible for providing government-wide leadership in developing a systematic approach for managing northern resource projects and for ensuring the government meets its obligations to consult. The NPMO will be responsible for federal coordination, project management, project tracking and coordination of consultations for natural resource projects in the three territories. The main functions will be to: assist project clients navigate through the regulatory review and consultation process with clear direction; and coordinate the work of federal regulatory departments and agencies during the environmental assessment and permitting phases.

INAC also provided a brief update on changes to the Mining Regulations for the north. The process to change and amend these regulations has been an ongoing process for the last ten years. The regulations were renamed the NWT and Nunavut Mining Regulations in 2008 but the changes did not just reflect the name of the legislation. Amendments include changes to royalty and leasing provisions, while ongoing initiatives, including changes to diamond valuation, amendments on fees and work reporting requirements for mineral tenure, and an official conversion to metric measurements. Eventually, INAC will institute two separate regulations for the NWT and Nunavut. INAC is also recognizing the value of map staking as the old method is becoming less practical and the northern jurisdictions finds itself competing with other provinces that have much simpler methods of electronic staking. The process will be developed first for Nunavut and should be ready in the next two years.

Changes to the Territorial Land Use Regulations and NWT Waters Act will impact the Inuvialuit Settlement Area only, as this legislation does not apply anywhere else in the NWT. The Land Use Regulations are being changed to increase the length of a permit and its extensions, to remove the maximum limit of security bonds, and allow more time for consultation on Class B applications. The NWT Waters Act is being changed primarily to better define the structure and nature of the NWT Water Board as an Inuvialuit-only jurisdiction. The Nunavut Water Regulations are also being modified to define 65 water management areas, and reducing annexes in the regulations. INAC hopes that these changes will help resolve the threshold problems currently faced by water users in Nunavut.

Nunavut Land Use Planning and Impact Assessment Act

INAC envisions that the final Bill will be ready this spring. There has been extensive consultation between INAC, NTI, and the mineral industry on this proposed legislation.

The Federal Budget

INAC, in the Federal Budget of March 4, has been given \$11 million over two years to support the acceleration of the review of resource projects. In his Budget speech the Minister of Finance stated that the Government of Canada is committed to ensuring that a strong and prosperous North helps shape the future of our nation. Canada's Economic Action Plan included a number of investments and economic development, skills training, housing, and research infrastructure in support of the Government's Northern Strategy. Streamlining the regulatory regime and removing barriers to private investment will support economic growth and help provide opportunities for Northerners by unlocking the resource potential in Canada's North, while at the same time protecting the environment.

The Chamber was pleased to hear that the Federal government is committed to streamlining the regulatory system and that INAC will have new money at its disposal to accelerate the review process for resource projects in the North.

INFRASTRUCTURE DEVELOPMENT

The Chamber is working on an Infrastructure Plan that highlights the needs of the north's mining industry. This document will include an outline of several infrastructure initiatives such as the Taltson Hydro project, the Bathurst Inlet Port and Road (BIPAR), an all-weather road up the Slave Geological Province and from Manitoba into the Kivalliq, and alternative nuclear power options. It will include an identification of the known mineral deposits in the north that would benefit from road, port and hydro development.

The next phase is to develop a fairly detailed cost/benefit report that shows the benefits of developing the north's mineral wealth. It is the Chamber's hope that the three territorial governments could be brought on board as plan supporters. The infrastructure plan will be presented to the Federal government as a unified plan from all northern territories and Aboriginal governments.

There is potential for the Chamber to promote infrastructure through Natural Resources Canada (NRCAN) Regional Adaptation Collaborative (RAC) program. The RAC program focuses on climate change issues on infrastructure and is designed to build supportive frameworks and resources to help incorporate adaptation into policy, planning and operations. NRCAN approached the Chamber of Mines to discuss how the mineral industry could benefit from this program. An initial meeting with NRCAN representatives, territorial government representatives from the Yukon, NWT, and Nunavut, and geoscientists was held on February 23-24 in Yellowknife. Several projects have been proposed that could assist in research on infrastructure development or mine construction in the changing arctic climates. One of these includes doing a study on the construction and ongoing maintenance of the Baker Lake to Meadowbank gold mine road in Nunavut. As this is a new all-weather road in typical arctic geography, the road could be a valuable learning experience on issues such as impact on permafrost, useful information if more roads in the arctic are eventually engineered and built.

COMMUNICATION AND PUBLIC RELATIONS

PDAC Conference

Chamber staff and a contingent of Board members attended the annual Prospectors and Developers Association of Canada conference in Toronto, from March 7-10. The mood of the conference was very upbeat and talks predict a recovery of markets and commodity prices and a general upswing from the recession of the past year and a half. Chamber staff networked with several members and potential members and attended a variety of meetings. We were happy to see many of our members exhibiting with enthusiasm.

NWT Mineral Exploration Overview 2008

The Chamber of Mines released its new Northwest Territories Mining and Exploration 2008 Overview, a capsule of the economic, social, and environmental performance of the mineral industry. The overview covers in detail the results of mineral development and production, exploration, government geosciences projects, socio-economics, environmental performance, and updates on regulatory and policy initiatives impacting the industry in the calendar year 2008. It pulls together information from many sources, promoting the benefits of the mineral industry in north and its positive interaction with people, communities, and the environment.

This report picks up on a former annual publication produced by the Government of the NWT and Indian and Northern Affairs which was not prepared last year. The Chamber agreed to oversee the completion of the 2008 report with support from INAC and the GNWT, expanding it to include more detailed information on the operating performance of mining and exploration. An overview covering similar information for the year 2009 should be available in time for Yellowknife's Geoscience Forum in November 2009.

Hard copies are available at the Chamber office or in a PDF through email by contacting the staff.

Metal Mining Opportunities Workshop

A workshop hosted by the Canadian Northern Economic Development Agency (CanNor), INAC, and GNWT Industry, Tourism and Investment, was held in Dettah on March 30-31, 2010, bringing together business, government, and community leaders from both sides of Great Slave Lake to discuss economic opportunities in metal mining in the Northwest Territories.

Day one of the Workshop showcased presentations on geology, mining, processing and manufacturing to introduce the mine-to-market fundamentals of lead/zinc, rare earth elements, cobalt-bismuth, and gold. Some of the companies that presented and discussed commodity markets and project specific opportunities included: Tamerlane Ventures, Fortune Minerals, Tyhee Development Corp, Avalon Rare Metals, and Canadian Zinc Corporation. Directors of the Chamber of Mines that presented were John Kearney (president), Dave Webb, Robin Goad, and Mike Vaydik (general manager).

Day two shifted from the industry perspective to community perspective by exploring how northern stakeholders, and particularly the Yellowknives Dene and other communities around Great Slave Lake, can participate in opportunities provided related to future metal mining projects. There were also presentations by INAC Mineral and Petroleum Resources, GNWT-ITI, the NWT Power Corporation, NWT Geoscience Office, NWT Mine Training Society, and the Chamber of Mines.

The Workshop facilitated discussions about infrastructure development and the types of services (power, roads) necessary for future metal mines. With four major metal mine projects on the horizon in the NWT and the ultimate phasing out of existing diamond mines, it was important to highlight and discuss metals as a potential future economic driver.

On Behalf of the Board,



John Kearney, President
NWT & Nunavut Chamber of Mines