



# Northern Mining News

Volume 5, No. 9

September 2012

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## From the Executive Director ...

This past month has been an especially exciting one with positive announcements on iron in Nunavut. The Nunavut Impact Review Board recommended to the Minister of Aboriginal Affairs & Northern Development that the Baffinland Iron Mine project could advance to permitting and licensing. Advanced Exploration released a positive feasibility study on its iron mining proposal in the same region of Nunavut.

Included in this newsletter are a number of 'high altitude' reports from think tanks and other learned folks weighing in favour of Canada as an investment destination, and providing recommendations on how to make it even better.

And I recommend you read the story on how the Inuit are now rolling up their sleeves and actively getting into mineral exploration.

Happy reading. ... TWH

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

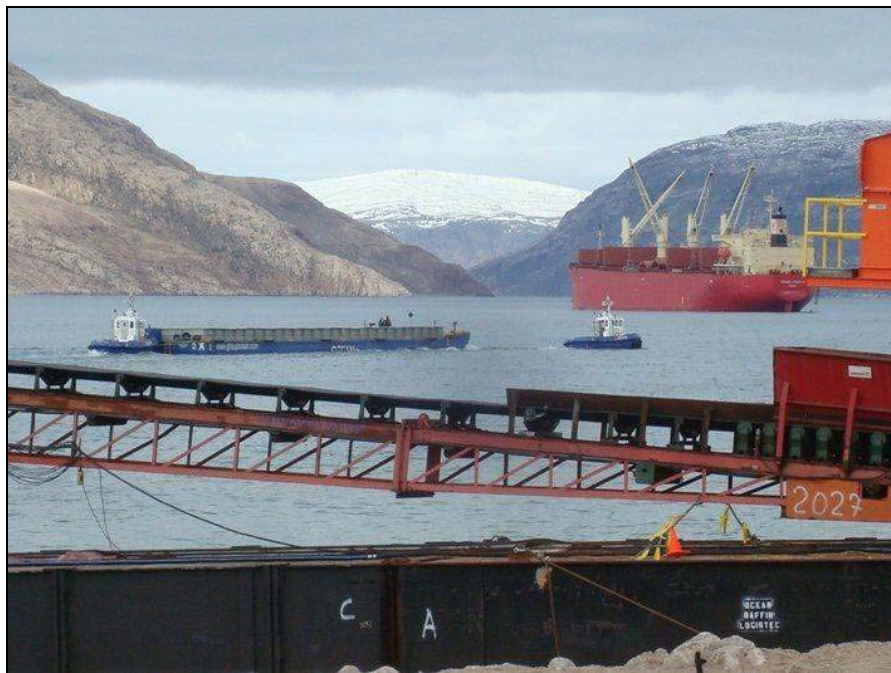
## **Baffinland Iron Ore Mines Receives Positive Recommendation for permitting**

On September 14, 2012, the Nunavut Impact Review Board (NIRB) filed a positive recommendation with the Minister of Aboriginal Affairs and Northern Development Canada (AANDC), allowing the Mary River Project to proceed to the regulatory/permitting stage.

This positive recommendation comes after more than four years of the company's work with the Nunavut Impact Review Board (NIRB) to reach this milestone. While the recommendation is positive news, a significant amount of work still lies ahead in order to have all permits, leases, and authorizations required for the project.

From the Baffinland website: <http://www.baffinland.com/> some quick facts:

- The Mary River Property contains approximately 365 million tonnes of high-grade, direct ship, lump and fine iron ore that can be mined, crushed, and screened with no other processing (tailings).
- Due to the purity of the ore, no chemical processing facilities are required for this project, reducing overall impact to the environment. The iron ore consists mainly of hematite and magnetite.
- The business will accomplish its goals by extracting iron ore from the ground, using conventional open pit mining and then transporting the ore via rail and ship to customers. Total annual targeted volume will be optimized to between 18 and 30 million tonnes. To facilitate this objective, over the next 5 years, BIM intends to procure and construct the infrastructure required for extraction from its Mary River deposit.



**A scene from the future? This photo from 2008 shows supply ships preparing to take Mary River bulk sample to Europe for testing. The review board recommended in September that Federal Minister allow project to move to permitting and licensing. Photo courtesy Baffinland Iron Mines**

- The Mary River deposit, located well within the Arctic Circle in the northwest part of Baffin Island, has been known for over 50 years. Previous development has been inhibited by the challenging location and environment.
- To unlock this resource potential Baffinland will build the world's most northern active railway and the world's largest ice breaking bulk carriers to transport the ore to market.
- The mine will be built and operated safely and efficiently such that aboriginal and non-aboriginal people, federal and territorial governments, and shareholders can benefit from the economic and social benefits that are anticipated to flow from it.
- The operating sites are in a remote northern location, with challenging weather conditions and will be developed as fly-in/fly-out operations. All transportation to site will be by air or sea, as no road or external rail links exist. The weather conditions at this remote location are challenging and operations will have to deal with extreme cold and darkness for portions of the year.
- The Mary River Project will contribute to the development of infrastructure, skills training, and employment and business opportunities for the people of Nunavut. The Project will also provide unprecedented increases in own-source revenues to the Government of Nunavut and to Inuit birthright corporations Nunavut Tunngavik Inc. ("NTI") and the Qikiqtani Inuit Association ("QIA"). The development of the Project is consistent with the Nunavut Planning Commission's broad planning principles, policies and goals, as well as the Nunavut Exploration and Mining Strategy.

The Minister of AANDC's responsibility now is to accept or reject the NIRB recommendation. If the Minister recommends that the project proceed, there are still a number of steps to go before the NIRB issues a project certificate, allowing for Baffinland to complete the permitting process, which is anticipated to be in early 2013.

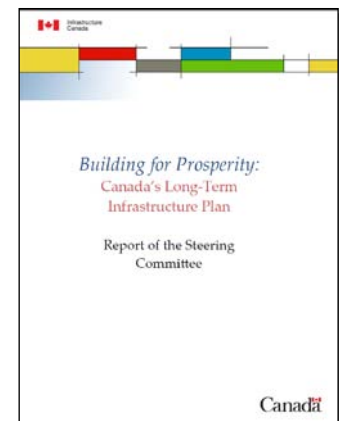
### **Canada Completes Infrastructure Consultations – Report**

Between January and July 2012, a Steering Committee organized by Infrastructure Canada met eight times to discuss the topics of Infrastructure and the Environment, Infrastructure and the Economy, Infrastructure and Strong Communities, Financing Infrastructure, Asset Planning and Sustainability, and Infrastructure and the North.

The Chamber of Mines participated in the latter.

During the course of these meetings, the Committee heard from 33 experts and practitioners such as the Chamber, including representatives from government, national associations, academics and the private sector.

The Committee has now completed its work and has produced a Summary Report of some of the key information heard through the course of these meetings. The report can be found on Infrastructure Canada's website at: <http://www.infrastructure.gc.ca/plan/ref/presentations/report-rapport/report-rapport01-eng.html>.



## **Advanced Exploration Inc. files positive feasibility study for Roche Bay iron**

Advanced Explorations Inc. has completed a positive feasibility study for the C Zone of its ocean-based Roche Bay Iron Project located on the east coast of the Melville Peninsula in Nunavut. The study targeted a start-up production rate of 5.5 million tonnes per year and start-up production of a 66% iron concentrate. It is available for download on the Company's website [www.advanced-exploration.com](http://www.advanced-exploration.com).

The company believes the conservative nature of the report provides a robust base case upon which to create further value going forward, and is now concentrating its efforts on realizing the substantial opportunities identified by the report that may positively impact the base case NPV and IRR estimates and further lower operating costs. Such value adding opportunities include, but are not limited to:

- Resource expansion to support a target mine life of a minimum 20 years.
- Project optimization on production volume (>8 million tonnes per year production) and grade increase through further resource definition.
- Value realization on the higher grade iron content and concentrate quality based on metallurgical evaluation resulting in a 69% iron concentrate to be produced at the future Roche Bay Mine.
- Energy source shifting from Arctic Diesel to Liquefied Natural Gas (LNG) with an internally projected decrease in operating costs estimated at \$8/tonne concentrate.
- Evaluate the potential contributions from a resource expansion at the C Zone and A/B Zone and including Tuktuk into the Project development.

It should also be noted that the FS does not include salvage or residual value for the assets following the 15 year mine life. Considering the regional interests and the considerable infrastructure value in the North, AEI believes these assets will have productive life well beyond the current FS. This will be further assessed through AEI's evolving programs and studies.

John Gingerich, president & CEO commented: "The completion of the feasibility report marks a significant milestone for the Company and the advancement of its flagship asset. We have demonstrated we have a solid project with immense upside potential that ranks as one of the most advanced iron ore projects in Canada."

## **Exploration Gets a Bit of Class – Geoscience Field Assistant Training**

Aurora College is in the process of developing a new mining-industry program that may be the first of its kind in Canada. The course? Geoscience Field Assistant, a program to prepare Northerners for work at early-stage exploration camps.

"In most places in Canada, university students in geology programs are the ones out in the field doing these jobs," says Kerry Robinson, the college's manager of program development and evaluation. "In the NWT, there is a fair amount of exploration activity and there is a fair amount of opportunity for people in surrounding communities [to work in exploration]."

A draft outline for the course has already been developed, based on initial ideas presented by the NWT & Nunavut Chamber of Mines, the NWT Geoscience Office and the college's past mine-training coordinator. More than 30 exploration companies and related businesses have also been surveyed to define their needs and get their recommendations.

According to the current draft plan, the field assistant program will be a mobile 25-day course, covering subjects ranging from safety, outdoor first aid and orienteering to basic geology, sample handling, record keeping and more.

Robinson says that in researching the program, he did not find much that could be used as a model. There are shorter courses — usually a week or two — that are mainly focused on safety. There are also longer programs that go into greater technical detail, but there's been nothing in the middle. Until now.

Aurora College hopes to begin delivering the field assistant course in March, 2013. A request for proposals has been issued to begin curriculum development (see ad posted in this issue).

### **KIA Funds Inuit Mining Training**

Mr. Charlie Evalik, President of the Kitikmeot Inuit Association (KIA) has announced the KIA has formed a partnership with the NWT Mine Training Society (NWT MTS) that will organize and deliver mine-related training in the Kitikmeot region of Nunavut. As part of this partnership, KIA has made available to the training partnership, a minimum of \$300,000 of its own funds to be spent over the next three years. It is anticipated that these funds will be matched with cash and in-kind contributions provided by government and industry.

President Evalik stated, "KIA recognizes the importance of the mining sector to our region's current and future economy. We view this promising sector with the hope that it can help our communities by providing well paid jobs for our young people. However, the mining industry demands highly skilled workers who are equipped with the education and training necessary to

## **REQUEST FOR PROPOSALS**

Development of Courses for a Geoscience  
Field Assistant Training Program  
**RFP# ACGE012 • Fort Smith, NT**

Aurora College is requesting proposals from proponents for the development of courses for a Geoscience Field Assistant Training Program.

Sealed responses addressed to Aurora College, Office of the President, 50 Conibear Crescent, Box 1290 Fort Smith, NT X0E 0P0, Attention: Manager, Purchasing and Contracts, will be received before:

**3:00PM, LOCAL TIME, October 26, 2012**

Proponents may obtain proposal documents from the Manager, Purchasing and Contracts at the address below:

**Proposal Contact:**

Gweneth Pischinger  
Manager, Purchasing and Contracts  
Office of the President, Aurora College  
Phone: 867-872-7008  
Fax: 867-872-4511  
Email: [gpischinger@auroracollege.nt.ca](mailto:gpischinger@auroracollege.nt.ca)

**Technical Contact:**

Kerry Robinson  
Manager, Program Development and Evaluation  
Office of the President, Aurora College  
Phone: 867-872-7014  
Fax: 867-872-5143  
Email: [krobinson@auroracollege.nt.ca](mailto:krobinson@auroracollege.nt.ca)



[www.auroracollege.nt.ca](http://www.auroracollege.nt.ca)



take on work in 21<sup>st</sup> century mines. This partnership with the NWT Mine Training Society will go a long way in bridging the skills gap for Inuit in the Kitikmeot.”

KIA’s partnership with the NWT MTS is a natural fit given that two of the Society’s key industry members, Diavik Diamond Mine Inc. and BHP Billiton also have existing relationships and agreements with KIA. As well, the NWT MTS has previously delivered training in the Kitikmeot. “Our Board of Directors is happy to be working with the Kitikmeot Inuit Association. While we have worked together in the past, this new partnership initiative will go a long way in helping the Inuit of the Kitikmeot to obtain the skills necessary to obtain employment in the Mining Sector” states Hilary Jones, General Manager, Mine Training Society, “and I personally appreciate the collaborative approach shown by all parties.”

KIA also continues to support the establishment of a Nunavut Mine Training Organization and hopes that such an agency can be established in the near future to deliver training to all Nunavummiut.

### **New NWT Mine Training Society Executive**

The NWT Mine Training Society elected new members to its executive at its Annual General Meeting, September 24, 2012.

Gaeleen MacPherson is Chairperson and Iris Catholique is Vice Chair.

“I’m deeply honoured, especially since I’m following in the footsteps of several very strong Chairpersons in recent years,” says MacPherson who succeeds Ted Blondin, President of the Behchoko Development Corporation. Blondin was at the helm when the Aboriginal Skills and Employment Partnership (ASEP) advised training organizations across Canada that funding would cease on March 31, 2012.

“The task at hand is defining a new pathway to the future; one that will sustain the great training and employment model we have built. And our Board of Directors is up for that challenge,” says MacPherson.

With 26 mining projects at advanced stages of approval across Northwest Territories, Nunavut and the Yukon, the Mine Training Society has partnered with Northern organizations, including many mining companies and territorial governments, to restore the funding partnership with Ottawa.

Direct mining employment in the North is projected to reach 10,500 jobs by 2017 with an annual estimated payroll of \$850 million. Total income taxes and royalties for the 26 mine projects are an estimated \$2.4 billion.

“Ottawa must reinvest a small slice of that revenue in mine training organizations so that northerners and the North can realize their full potential,” says MacPherson.

The recent Conference Board of Canada report confirms the North’s potential stating that *“economic growth in the Canadian territories is forecast to outpace the country as a whole for several years to come. This is attributed to new mine developments and favourable global demand for metals suggests that Canada’s mining potential is bright over the next decade-particularly in the territorial North”*.

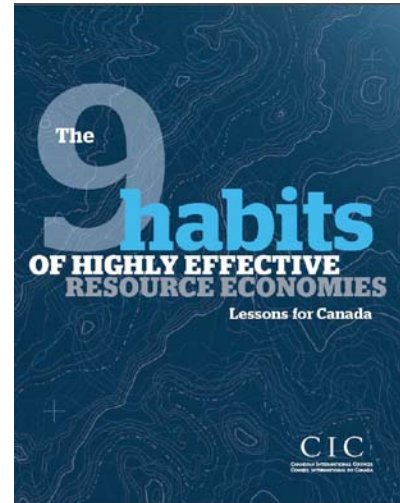
## A 9-Step Plan to Becoming a Resource Superpower

The Canadian International Council (CIC) has released a report that argues that Canada needs to take leadership and collaboration to become a real resource superpower.

*The 9 Habits of Highly Effective Resource Economies: Lessons for Canada* looks at how other countries manage their resource wealth and makes a series of interesting and potentially controversial recommendations on how our natural resource sectors can become more competitive in a world where economic and political power is rapidly shifting.

The commodity boom that began in 2003 once again made the resource sectors of vital importance to the Canadian economy. But unlike in past commodity booms, we can no longer rely on simply hewing wood and drawing water to compete.

The report argues that Canada needs to do more to add, extract, and build value around its natural resource industries and offers the following 9 step plan to strengthen our resource economy:



1. Governments must demonstrate that they are responsible stewards of public money. All levels of government in Canada with revenues from non-renewable resources should stop treating them as income to be spent and start treating them as capital to be saved or invested.
2. 'How do we do more with what we've got?' should be the focus of government policy on natural resources.
3. If Canada wants to stop being only a hewer of wood and drawer of water and add, extract, or build more value around its natural resources, it must do a better job of collaborative research involving government, academe, and industry.
4. Canada should bring in a national, revenue-neutral carbon tax. We should not wait for the United States to act, but move ahead with a plan that includes border measures to ensure Canadian companies are not put at a competitive disadvantage.
5. Canada should mount a sustained effort to diversify its trade and investment, building on its success in the U.S. market to become a more global trader.
6. Resource companies operate in global industries. To be competitive, we need companies that are or can become global players.
7. Canada should bring coherence and focus to its resource-related aid and maximize its impact through collaboration with other resource-rich donors, such as Norway and Australia.
8. The overuse of temporary workers has negative long-term consequences and does not attack the root cause of skills shortages, many of which are domestic in origin.
9. Canada needs a national plan that will tie together efforts being made to develop its natural resources.

The report can be downloaded at [www.opencanada.org](http://www.opencanada.org).

## **Canada's Mining Industry Joins Forces with NGOs to Improve Transparency**

The PDAC, the Mining Association of Canada and two transparency-focused NGOs have signed an MOU to develop a framework for the mandatory disclosure of extractive company payments to governments.

The *Extractive Resource Revenue Transparency Working Group* aims to develop a framework for the disclosure of payments to governments for Canadian oil and mining companies operating domestically and internationally by June 2013. Once complete, the working group will make policy recommendations to federal government policymakers and/or provincial security regulators for the Canadian adoption of mandatory disclosure requirements based on the framework.

The initiative comes at a time of great demand from communities and investors for mining companies to be more transparent in their payments to governments. "This information will help assure communities that they are receiving appropriate benefits from both mining operations and governments, as well as reduce instances of corruption and bribery," said Ross Gallinger, PDAC Executive Director. "More transparent payment information also puts investors in a better position to analyze the financial and political risks associated with development."

Visit the PDAC website for background information on the initiative by clicking [here](#).

## **Stock Exchange Announces Temporary Relief Due to Stock Market Blues**

The TSXV released a Notice to Issuers on August 17, 2012, announcing it is offering temporary relief from existing pricing requirements related to Private Placement financings in light of the current market environment. The relief measures are effective from the date of the notice until December 31, 2012.

"In order to facilitate the ability of Issuers to complete financings, specifically those Issuers subject to immediate or imminent financial hardship, the Exchange will, on a temporary basis and subject to compliance with the conditions referenced in this bulletin, be granting relief from certain existing pricing requirements related to Private Placement financings," says the notice. To read the full bulletin, click [here](#).

## **Innovative: Inuit Land Claim Corporation Enters Mineral Exploration**

The Nunavut Resources Corporation (NRC) is pleased to announce that it has received a commitment for \$1 million in funding from the Kitikmeot Inuit Association (KIA) and that along with partner HTX Minerals Corporation (HTX) it has commenced mineral exploration activity.

The investment, which will be administered by NRC Exploration Ltd. (NRC-X), the exploration arm of NRC, will be primarily used for 2012/2013 mineral project generation and exploration in the 447,000 km<sup>2</sup> Kitikmeot Region (KI) of the Territory of Nunavut. It comes as a result of a strategic alliance NRC signed in March 2012 with HTX, a team of exploration geologists with a +20 year track record of discovery successes, to generate projects in the KI. As part of this agreement, which was the first of its kind to be signed by the NRC and has an initial term of five years, NRC will seek to raise a minimum of \$18 million for exploration within the region.



“The seed funding from KIA demonstrates Inuit commitment to taking a leadership role in resource development,” said Charlie Evalik, Chairman of the NRC and incumbent President of the Kitikmeot Inuit Association. “This investment allows us to begin generating exploration projects that will also help further demonstrate the immense potential of the region and our alliance strategy. Our alliance with HTX Minerals, and the investment in it, will help accelerate the discovery of economic ore deposits and could lead to employment and business opportunities, much greater investments in infrastructure, and training.”

The 1993 Nunavut Land Claims Agreement between the Inuit of Nunavut and the Government of Canada settled all claims to land within Canada’s eastern Arctic, an area comprising one-fifth of Canada. It granted Inuit title to 19% of the land in Nunavut, including the granting of mineral rights to 2% of Nunavut. Highlighting their prospectivity is the fact that 55% of the 1,100 known mineral occurrences in the Kitikmeot Region are situated on IOLs, which account for just 2% of the land area of the region.

“Much of the exploration focus of the alliance will be on unstaked portions of the 11,509 km<sup>2</sup> of Inuit Owned Land (IOL) for which Inuit maintain both surface and mineral rights,” noted Scott McLean, CEO of HTX Minerals. “We have begun conducting reconnaissance prospecting and sampling in the KI, and are closely evaluating a number of projects encompassing base and precious metals, and diamonds.”

Because it is focused on project generation, the alliance will actively seek funding partnerships with other exploration and mining companies to help advance the projects it develops.

The Nunavut Resources Corporation is an Inuit-owned corporation that was founded in 2010 by the Kitikmeot Inuit Association to diversify and develop the economy of Nunavut by attracting investment capital to the region. It is responsible for entering into economic partnerships with resource companies in the Kitikmeot Region related to exploration and infrastructure development with the business objective of generating wealth in the north to stay in the north for the benefit of Inuit.

### **Minerals Industry provides advice to 2012 Energy & Mines Minister’s**

This fall, representatives of the minerals industry provided their thoughts and advice to the annual Energy and Mines Minister’s Conference held this year in Charlottetown, P.E.I.

Titled *Framing the Future of Energy and Mines*, the conference brought together provincial, territorial and federal ministers, senior government officials and industry to discuss various projects, regulations and collaborative opportunities that could benefit Canadians.

The Chamber of Mines, along with the Prospectors & Developers Association of Canada, the Mining Association of Canada and other members of the Canadian Mineral Industry Federation jointly submitted policy views and recommendations to the ministers in advance of the meeting. Read the industry brief titled “Bringing the Opportunity Home,” by downloading it [here](#).

## **Canada Best Mining Investment Destination Says Australian Report**

Canada stands out as number 1 of the six jurisdictions surveyed for its competitive tax structure, stable political landscape and well-developed capital markets. Of the executives commenting on Canada, 73% said there was about the right amount of government involvement in Canadian mining, 88% viewed Canada as the most politically stable country with 64% stating they were greatly encouraged to invest in the nation's mining industry.

"The Canadian Government's belief that 'resource development has vast power to change the way a nation lives' underlines the importance of the mining industry to Canada's economic, political and social landscape."

In creating their 4<sup>th</sup> global report examining the challenges and opportunities facing the world's key mining destinations, Baker & McKenzie surveyed more than 300 senior industry leaders across six key mining jurisdictions - Australia, Brazil, Canada, China, Indonesia and South Africa.

While each jurisdiction has its own specific issues, the common theme across all jurisdictions surveyed is that investing in mining is becoming more difficult and less certain. Factors contributing to this include an increase in the complexity of regulation, the rising trend of "resource nationalism", bribery and corruption, and rising costs of doing business.

While a country may have the natural benefit of high quality mineral resources, investment decisions and capital flows are significantly influenced by other factors such as foreign investment restrictions, the processes for obtaining consents and approvals, land access, access to infrastructure and fiscal arrangements such as applicable taxation and royalty regimes.

"The Canadian Government, it seems has found the right balance between protecting the interest of the mining industry in addition to respecting and upholding the rights of wider stakeholders," said the report.

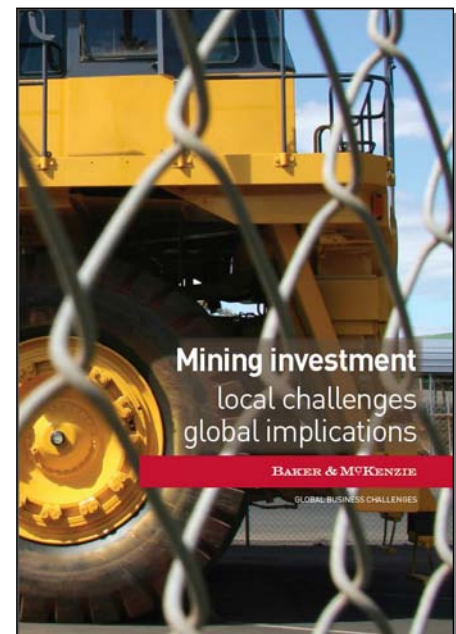
The research suggests that investors in Australia are more pessimistic about the future of mining investment in Australia than those investing in the other jurisdictions surveyed.

"Mining jurisdictions must consider their competitiveness, or risk mining investment being made elsewhere," said David Ryan, Baker & McKenzie's Global Head of Mining.

"Mining is an industry which involves large, up-front capital investments and long project lives. Investors crave certainty, and miners need more certainty regarding the application of taxes and royalties and land use restrictions."

Brazil, China, Indonesia and South Africa continue to face issues addressing crime and bribery and corruption.

For a copy of the report, click [here](#).



### Call for Abstracts – 2012 Yellowknife Geoscience Forum

The 40<sup>th</sup> annual Yellowknife Geoscience Forum will be held **Tuesday November 13<sup>th</sup> through Thursday November 15<sup>th</sup>**. This conference provides an intimate setting for the exchange of information on Mineral and Petroleum Exploration, Mining Activities, and Government and Academia Geoscience Research in Canada's north. The 2011 Yellowknife Geoscience Forum attracted over 800 delegates from industry, academia, and the Government.

The technical program, organized by the NWT Geoscience Office, consists of both oral and poster presentations. The technical program web page will be available in early September at [www.nwtgeoscience.ca/forum/](http://www.nwtgeoscience.ca/forum/) and will be updated regularly. The NWT & Nunavut Chamber of Mines organizes the Forum registration, trade show and social events. More information can be found at [www.miningnorth.com/](http://www.miningnorth.com/).

**Technical program topics** will include the following, and may include other general interest topics (TBA):

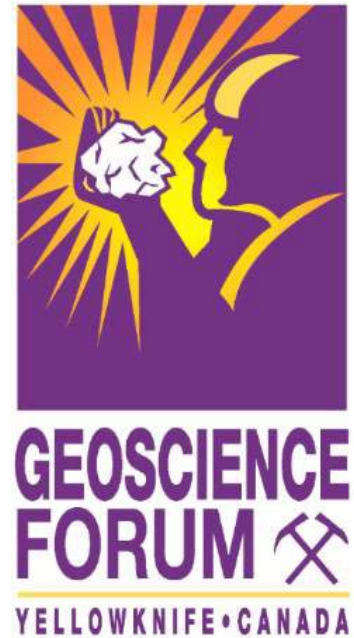
*Geoscience Research, Mineral Exploration, Environmental Sciences, Mining & Communities, and Energy in Canada's North.*

If you are interested in making a presentation and require more information, please contact the Abstract Submissions or the Technical Program Chairs, Luke Ootes and Doug Irwin.

**Abstracts are required for both oral and poster presentations** and will be compiled in the conference abstract volume; this document will be posted to the program web page one week before the conference starts. Abstracts must be submitted before **17:00 MT Friday, October 12<sup>th</sup>** using the **online Abstract submission page** at [www.nwtgeoscience.ca/forum](http://www.nwtgeoscience.ca/forum). Also refer to [www.nwtgeoscience.ca/forum](http://www.nwtgeoscience.ca/forum) for abstract formatting and specifications.

Note: Both a poster and oral submission for the same subject will not be accepted; please choose either oral or poster.

**Registration forms** for the conference are available by contacting Cheryl Wourms at the Chamber of Mines, email: [officemanager@miningnorth.com](mailto:officemanager@miningnorth.com).



## **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:

**Activation Laboratories Ltd. (Actlabs)** offers high-quality comprehensive analytical services at competitive prices. No matter where you are, they can help you with your analytical needs. Visit: [www.actlabs.com](http://www.actlabs.com).

**Atlantic Towing Limited (ATL)** has been a leader in marine services for over 50 years. As part of JDI Integrated Logistics and the J.D. Irving group of companies they partner with their family of companies to provide comprehensive and customized transportation and logistics solutions to companies in a variety of industries. Visit: [www.atlantictowing.com](http://www.atlantictowing.com).

**Bouwa Whee Catering** is more than just a northern catering company. They provide full-time catering, camp management, housekeeping and janitorial services for two major northern diamond mines, Diavik and Snap Lake. Visit: [www.bouwawhee.com](http://www.bouwawhee.com).

**Danmax Communication Ltd.** has been an active player in the economy of the North since 1987, and is a sales and service provider of communication, security and telephone systems. Visit: [www.danmax.com](http://www.danmax.com).

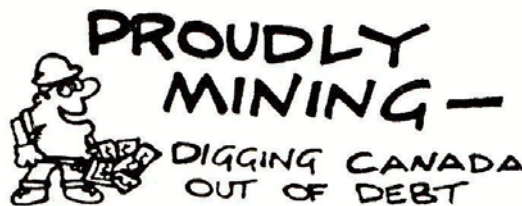
**Dunedin Energy Systems Ltd.** is a Canadian energy development company working to advance micro-nuclear power plants for the mining industry. Come visit their booth at the Yellowknife Geoscience Forum in November. Visit: [www.dunedinenergy.ca](http://www.dunedinenergy.ca).

**King Manufacturing** is the premier welding and fabrication company in the north. King Manufacturing uses its modern and fully equipped shop to serve the mining, forestry, oil and gas, construction, and marine industries. Visit: [www.king-manufacturing.com](http://www.king-manufacturing.com).

**McElhanney Consulting Services Ltd.** specializes in engineering, surveying and mapping in the fields of transportation, structures, land development, drainage, water supply and treatment, sewage treatment and disposal, resource development and land administration. Visit: [www.McElhanney.com](http://www.McElhanney.com)


**Qamutik Training and Consulting Inc.** is a training company based in Rankin Inlet, NU. Contact Kevin Bussey, President via: [www.qamutik.com](http://www.qamutik.com).

**ZCL Composites Inc.** has grown to become North America's leading designer, manufacturer and supplier of cost-effective fibreglass tank systems to the petroleum industry. Visit their website at: <http://www.zcl.com/>



## Calendar of events

- **Northern Governance Conference: Pathways to Prosperity**, October 10-12, 2012, Yellowknife, NT at the Explorer Hotel. Contact: <http://ngec2012.com/>
- **Aboriginal Entrepreneurs Conference & Tradeshow**, October 15-16, 2012, Ottawa, ON. Visit: <https://secure.brentmoore.com/ei/cm.esp?id=114&pageid=3CH0LTIS2>
- **Workforce Planning in Mining Conference**, October 25-26, 2012, Toronto, ON. Contact: [http://www.marcusevansch.com/WPN\\_Event](http://www.marcusevansch.com/WPN_Event)
- **2012 Yellowknife Geoscience Forum**, November 13-15, 2012, Yellowknife, NT. Plan to attend the north's largest conference. Visit: [www.miningnorth.com/geoscienceforum](http://www.miningnorth.com/geoscienceforum).
- **Canadian Aboriginal Minerals Association Conference**, November 18-20, 2012, Sheraton Centre Hotel, Toronto. Theme: *Community Gems, Faceted Outcomes*. Visit: [www.aboriginalminerals.com](http://www.aboriginalminerals.com).
- **Kivalliq Trade Show**, November 19-22, 2012, Rankin Inlet, NU. Visit: [www.kivalliqtradeshow.ca](http://www.kivalliqtradeshow.ca)
- **Aboriginal Mining Education Forum**, November 20-21, 2012, Hyatt Regency, Toronto, ON. For more information and to register go to: [www.aboriginalmining.ca](http://www.aboriginalmining.ca)
- **Global Mining Summit**, December 6-7, 2012, Red Rock Casino, Resort & Spa, Las Vegas, NV. For senior executives from the mining industry to attend strategic summit sessions led by leaders from across the industry. Visit: [http://www.miningsummitna.com/mn\\_da](http://www.miningsummitna.com/mn_da).
- **AME BC Mineral Exploration Roundup 2013**, January 28-31, 2013, Westin Bayshore Hotel, Vancouver, BC. Visit: <http://www.amebc.ca/roundup/overview-2013.aspx>.
- **PDAC 2013 International Convention, Tradeshow, and Investors Exchange**, March 3-6, 2013, Metro Toronto Convention Centre South. Visit: <http://www.pdac.ca/pdac/conv/>
- **Nunavut Mining Symposium**, April 8-11, 2013, Iqaluit, Nunavut. Visit: <http://www.nunavutminingsymposium.ca/>

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|  | <p><b>Northern Mining News</b> is written and published by the<br/>NWT &amp; Nunavut Chamber of Mines<br/>for free distribution electronically to<br/>those interested in the northern minerals industry.</p>                              |
| <p><i>Established 1967</i></p>  | <p>For further information contact us at:<br/>PO Box 2818, Yellowknife, NT X1A 2R1<br/>Email: <a href="mailto:info@miningnorth.com">info@miningnorth.com</a><br/>Website: <a href="http://www.miningnorth.com">www.miningnorth.com</a></p> |

## Mines & Promising NWT Mine Projects

The following table describes a number of 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. Mine life to 2019. Workforce approximately 1,500.                               | 2011 Year in Review report released. BHP Billiton is conducting review of diamonds business and potential sale.  |
| Diavik Mine      | Rio Tinto and Harry Winston               | Diamonds                   | Canada's largest diamond producer, 300 km NE of Yellowknife. Open pit and underground, but will be all underground in 2012. Mine life to 2023. Workforce approximately 1,000. | 1 million tonne underground production reached in May. Mine life now confirmed to 2023 with production from additional pipe, called A21. Rio Tinto is conducting review of diamonds business and potential sale. The plan for calendar 2012 foresees production of ~ 8.3 million carats from mining 2.0 million tonnes of ore and processing of 2.2 million tonnes of ore. |
| Snap Lake Mine   | De Beers                                  | Diamonds                   | Canada's first all underground diamond mine. 220 kilometres NE of Yellowknife. Mine life to 2028.   | Commenced commercial production on January 16, 2008 and the Official Mine Opening took place on July 25, 2008.   |
| Cantung Mine     | 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.   | June news release reports significant new underground exploration results in "Amber Zone".   |
| Nechalacho       | Avalon Rare Metals                        | Rare earth metals          | Proposed underground mine 100km SE of Yellowknife. Estimated mine jobs: 200   | EA Update: Avalon submitted responses to 2 <sup>nd</sup> round of Information Requests to the Mackenzie Valley Environmental Impact Review Board. Avalon signed 1 <sup>st</sup> of 3 Agreements with equity participation with the Deninu K'ue First Nation.   |
| 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   | Public hearings to resume in October 11-12 in Behchoko on access road and traditional knowledge.   |
| Yellowknife Gold | Tyhee NWT Corporation                     | Gold                       | Proposed open pit and underground mine of 4 deposits about 90 km NE of Yellowknife. Estimated mine jobs: 238  | Positive feasibility study announced August 15, submitted to Review Board as part of Environmental Review underway.  |
| Prairie Creek    | Canadian Zinc Corporation                 | Lead-zinc-silver           | Proposed underground mine 120 km west of Ft. Simpson. Estimated mine jobs: 220  | Project in permitting and licensing. Preliminary Feasibility Study results issued June 27.   |
| Gahcho Kue       | De Beers & Mountain Province              | Diamonds                   | Proposed open-pit diamond mine approximately 180 km ENE of Yellowknife, NT. Estimated mine jobs: 360  | Public hearing dates for Environmental Impact Review finalized for Nov 30-Dec 8 in Dettah, Lutsel K'e, & Yellowknife.  |
| Pine Point       | Tamerlane Ventures                        | Lead-zinc                  | Company proposes underground mine east of Hay River, NT using freeze technology for water management. Estimated mine jobs: 225  | Company has requested change to adit and decline from shaft to test mine the R-190 deposit. Resource is Defined, Permitted for Construction, Extensive Infrastructure  |
| Courageous Lake  | Seabridge Resources                       | Gold                       | Proposed open pit mine 240 km northeast of Yellowknife  | Positive Preliminary Feasibility Study released July 24 with 6.5 million oz proven and probable reserves. 2012 exploration budget of \$8.5 million. Annual report released in May.   |
| Selwyn Project   | 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.                                  | Feasibility study to be done in 2012. Resource updated in August and surpasses 180 million tonnes. In early Sept, Selwyn suspended its Strategic Review Process as it contemplated the effects of "the worst economic times in recent memory" and potential sale of the project.   |



## Mines & Promising Nunavut Mine Projects

The following table describes a number of leading mineral development projects in Nunavut. Very preliminary estimates have been provided for workforce size if the projects were to 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 N of Baker Lake.<br>Mine jobs: 450   | NTI received first royalty payment in 2012. July Q2 reports record quarterly gold production of 98,403 ounces.  |
| Mary River                             | Baffinland Iron Mines      | Iron                                | Proposed open pit mine with railway and port; 936 km N of Iqaluit with 5 known deposits.<br>Estimated construction jobs: 3,500<br>Estimated mine jobs: 715                                     | Final hearings for Environmental Assessment completed in July, 2012. Final NIRB decision expected mid-September.  |
| Kiggavik                               | AREVA Resources            | Uranium                             | Proposed uranium mine 80 km W of Baker Lake.<br>Estimated Construction jobs: 750<br>Estimated mine jobs: 1,300   | Areva anticipates submitting response to DEIS IR's by January 31, 2013.   |
| Jericho Diamond Mine                   | Shear Diamonds Ltd.        | Diamonds                            | Project to reassess viability of reopening the former diamond mine, 255 km SSE of Kugluktuk.<br>Estimated mine jobs: 150-200   | Shear suspends stockpile production due to low diamond prices, September 4, 2012.   |
| Meliadine Gold                         | Agnico-Eagle Mines         | Gold                                | Possible gold mine, 5 deposits, the largest of which is the Tiriganiaq deposit, 25 km NE of Rankin Inlet.<br>Estimated construction jobs: 600<br>Estimated mine jobs: 350 - 400                | Plan to complete feasibility study in 2013; NIRB approved EA exemption of "Phase 1 – All Weather Road" on May 23, 2012. Road located on IOL.                    |
| Hackett River                          | XStrata Zinc Canada        | Zinc, silver, copper, lead and gold | One of largest undeveloped VMS massive sulphide deposits in the world. 104 km SSW of Bathurst Inlet.<br>Estimated mine jobs: 300   | Camp opened February 20, 2012; Pre-feasibility study team being assembled.  |
| Back River                             | Sabina Gold & Silver Corp. | Gold                                | Approximately 60KM from Hackett River. Propose to mine multiple deposits by open pit and underground. Workforce up to 900.   | 2012 exploration budget approved at \$60M. Project Description submitted to NIRB in July to trigger EA.   |
| Izok Corridor Project (with High Lake) | MMG Resources Inc.         | Copper, Zinc, Gold, Silver          | Mining of Izok and High Lake ESE of Kugluktuk. Single processing facility at Izok, 350 km all-season road to port at Gray's Bay. Shipping to Europe and Asia. Total jobs 710 with 400 on site. | On Sept. 4, MMG submitted Project Proposal to NIRB to trigger official environmental assessment process.  |
| ULU & Lupin                            | Elgin Mining Inc.          | Gold                                | Located SE of Kugluktuk.<br>Lupin mine: past production; 3.7 million oz.<br>ULU deposit: indicated mineral resource; 751,000 tonnes  | Elgin purchased both properties from MMG Resources in July, 2011.<br>Winterization of work camp at Lupin; Drilling at Ulu began April, 2012. New CFO appointed. |
| Roche Bay                              | Advanced Exploration       | Iron                                | Over 500 mt of Indicated Resources within 6 km of a natural deep water harbour at Roche Bay.<br>Estimated construction jobs: 450<br>Estimated mine jobs: 370 - 380                             | Positive Feasibility Study announced August 10, 2012, confirms NPV of \$642 million (pre-tax)   |
| Chidliak                               | Peregrine Diamonds Ltd.    | Diamonds                            | Located 180 km S of Pangnirtung. Contains 59 known diamond-hosting formations.   | Peregrine announced Joint Venture agreement with DeBeers, September 5, 2012.  |
| Doris North/ Hope Bay                  | Newmont Mining Corp        | Gold                                | Proposed gold mines 130 km S of Cambridge Bay; covers the majority of the Hope Bay Greenstone Belt.<br>Estimated mine jobs: 300  | Work postponed indefinitely while project under review; Company has approved "Care and Maintenance" funding for the Hope Bay site.                              |

## Project Maps

