



NUNAVUT DAY in Vancouver

Honourable Minister Peter Taptuna

Government of Nunavut

Minister of Mines

Vancouver, April 15, 2009

Good afternoon, and welcome to this event showcasing mineral exploration, mining and investment in Canada's Nunavut Territory. This event coincides closely with the tenth anniversary of the creation of Nunavut as Canada's newest territory. So let me welcome you all by saying tunngasugitsi Nunavut qulini naliuniqsiutillugu, which in Inuktitut means "Happy Anniversary".

Nunavut was created on April 1st, 1999. The new Territory and the public government, in which I am proud to be the Minister of Mines, was created as part of the largest aboriginal land claims settlement in Canadian history. The signing of the Nunavut Land Claims Agreement in 1993 marked an historic agreement between the Inuit of Canada's eastern Arctic and Canada. One of the key outcomes of that agreement was the creation of a new Territory for all the people of Nunavut.

Some important facts about Nunavut that makes it unique among Canadian jurisdictions:

Nunavut is big, to appreciate how big, Kugluktuk, my home community is straight north from Edmonton, while our easternmost community Qikiqtarjuaq is straight north of Halifax. Nunavut's capital Iqaluit is a three hour flight north from Ottawa, Resolute Bay is a further 3 hours north, and Alert, at the north end of Ellesmere Island is 2 hours further north from Resolute.

There are 25 communities spread across Nunavut with a population of 32 thousand people. If we brought everyone down we could really pack the Canucks game tonight.

85% of the population of Nunavut are Inuit and the majority of the territory's residents have Inuktitut as their first language.

A lot has happened in Canada's newest Territory over this past decade. Ten years ago, we were witnessing the end of an era in mining in Nunavut, with zinc mines at Polaris and Nanisivik and the Lupin gold mine nearing the end

of their production. In 1999, exploration activity in Nunavut stood at a modest \$37 million. Over those ten years, exploration work grew faster than anywhere else in Canada, to nearly ten times what it was in 1999.

In 2007 and 2008, an average of \$300 million was invested by you and others exploring for minerals in Nunavut. More than 130 projects across the territory were looking for gold, silver, base metal, diamonds and iron ore deposits.

In those ten years a healthy number of projects advanced to development. Agnico-Eagle's Meadowbank Mine is completing construction, and by early next year will produce its first gold, and an average of 350,000 ounces each year thereafter. Major projects in gold at Hope Bay, iron ore at Mary River, and uranium at Kiggavik have reached feasibility and are poised to go into development.

Why has the mineral exploration and mining industry shown such confidence in Canada's newest jurisdiction? I believe the first factor is potential for major discovery. Nunavut contains 2 million square kilometers of the best geology in the world. Much of the Territory is underlain by Archean aged rocks similar to the most productive geology in parts of Ontario, Quebec, South Africa, Australia, and Brazil.

We knew this in 1999, but we also knew that the public database of geological information for Nunavut was far below that of other parts of Canada. One of the first things we did was to establish the Canada-Nunavut Geoscience Office in partnership with the federal government. The mandate

of the geoscience office is to work in partnership to create an understanding of Nunavut's geology that is comparable to other jurisdictions in Canada.

Elsewhere in Canada, government geoscience projects are refining our knowledge of Canada's geology and mineral potential. In Nunavut, recent mapping on Southwest Baffin Island identified previously unmapped and very perspective Archean aged volcanic rocks, and mapping on South Hampton Island discovered that minor previously identified oil shales are now understood to be a single continuous unit that has great potential as a major regional source rock for oil and gas.

This mapping has uncovered and improved our understanding of some of Nunavut's large Archean greestone belts, and as Committee Bay Resources, Commander Resources, and before them Cumberland Resources and Miramar Mining have found out, there is a LOT of gold in these rocks.

Our increasing understanding of their base metal potential and the broad area where companies have made diamond discoveries underscore that Nunavut has a greater potential for upside discovery success than any other jurisdiction in Canada or perhaps around the world.

We are partnering with the federal government in their Geomapping for Energy and Minerals initiative that over the next 5 years is going to put \$75 million into new geoscience mapping north of 60. The GEMs initiative will have a number of major mapping projects across Nunavut. An example is the Thelon project where we are hoping to further our understanding of the

Thelon basin, a sister basin to the Athabaska basin in Saskatchewan that produces much of the worlds uranium.

The next investor confidence advantage that Nunavut has is our certainty of tenure. The Nunavut Land Claims Agreement guaranteed land ownership rights throughout the Territory. With the exception of some minor aboriginal land claims still being settled along Nunavut's boarder with Saskatchewan and Manitoba the struggle over aboriginal rights and title are settled.

This certainty of tenure coupled with the lack of exploration activity in the past have allowed aggressive forward looking companies like those that have sponsored this event to acquire mineral rights to entire diamond fields, entire greenstone belts, or some of the best uranium potential in the world. This in turn has challenged investors, not used to having junior companies owning tenure to such spectacular mineral potential that has had so little past exploration.

Everyone of the diamond discoveries by Diamonds North, Shear Minerals, Indicator Minerals, Stornoway Diamonds, and Peregrine Diamonds have been grassroots discoveries. All of these companies hold mineral tenures to diamond districts that have high potential for future production success. In other jurisdictions each of these districts would be split between multiple companies each carrying on their own exploration activity.

These companies have shown patience and tenacity in exploring their ground, and the discoveries they are now making is only the beginning.

Likewise Committee Bay Resources and Commander Resources that I mentioned earlier, have their own greenstone belts.

Would you invest in a company that held the exploration rights to the entire Kirkland Lake or Timmins greenstone belt? Even if the great ore bodies had not yet been proven? We are confident that these rocks in Nunavut host large economic ore deposits, but it will take aggressive forward looking junior companies to prove them up. I am confident that these companies will find those deposits and that these belts of rocks will prove as productive as the same aged rocks around the world.

The last, and perhaps most important investor confidence advantage that I want to highlight is the local support these companies have for their mineral exploration and development projects. My predecessor The Honourable Peter Kilabuk, Nunavut's first Minister responsible for Mines stated it very clearly:

“The Government of Nunavut will support any resource development project that is:

- economically viable
- can demonstrate that it is not going to damage the environment, and any impacts can be managed and mitigated
- and provides substantive and sustainable benefits to the people and communities of Nunavut”

Our Mineral Exploration and Mining Strategy, Parnautit, released in 2007 has as its goal: “To create the conditions for as strong and sustainable minerals industry that contributes to a high and sustainable quality of life for all Nunavummiut.” From our smallest communities to the individuals that make up our government most Nunavummiut agree that an economically strong and self-reliant Territory will be built along side a strong and sustainable minerals industry.

The mining industry is famous for its cycles, but for Nunavut this cycle will be different. I believe that as investors come back into the market the tremendous upside discovery potential, the certainty and stability, and the support mineral exploration and mining has in Nunavut will be recognized, and Nunavut will be seen as one of the best jurisdictions in the world for mineral exploration and mining investment.

My confidence is greatly bolstered by the investments we have recently seen by Agnico-Eagle and Newmont, who both have said publicly that looking around the world they saw Nunavut as an attractive and stable jurisdiction in which to invest, and a jurisdiction with perhaps unmatched discovery potential.

I would like to thank the organizers for inviting me to speak with you today, and I invite you to come to Nunavut, visit the projects these companies are exploring and see Nunavut for yourselves.

Nakomi, Thank you.