

# Diamonds



## Investment Opportunities NORTHWEST TERRITORIES

Government of  
Northwest Territories

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Ekati Diamond Mine, Diavik Diamond Mine and Gahcho Kué Mine are all diamond producers in the Northwest Territories (NWT). The opening of Gahcho Kué in the second half of 2016 is proof of the growth potential of NWT's diamond industry and investors' confidence.

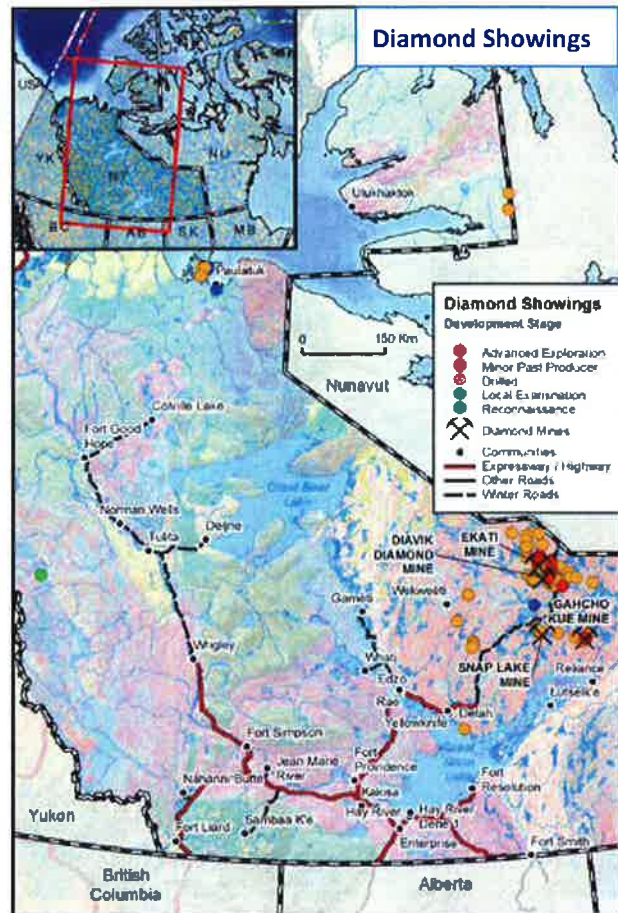
The NWT accounts for three per cent of the world's diamond production by value. In 2016, the NWT produced approximately 10.5 million carats of diamonds with an estimated value of \$1.28 billion.<sup>1</sup>

### Diamond Production

As of January 31, 2017, Dominion Diamond Corp.'s Ekati Mine has an indicated mineral resource (including the Jay Pipe) of 129.1 million tonnes containing 145.9 million carats. The plan is to begin mining Jay in late 2022 and continue mining through until 2033.

Dominion Diamond Corp. reported at the end of March 2017 that Diavik's minelife has been extended to 2025. The mine is co-owned with Rio Tinto. Production in 2017 is forecast to be 2.18 million tonnes with a total recovery of 7.6 million carats of diamonds. Diavik reached a production milestone of 100 million carats in 2016.

Gahcho Kué Mine officially opened in September 2016 and began commercial production in March 2017. The mine is a joint venture between De Beers Canada Inc. and Mountain Province Diamonds Inc. In the first half of 2017, the mine produced 2.48 million carats of diamonds from 1.26 million tonnes of ore. It is expected to produce 54 million carats of diamonds during its 12-year lifespan.



### NWT Investment Opportunities

In July 2016, DeBeers announced that it was placing the Snap Lake mine up for sale. In addition to the reserves at year-end 2015 (see table), Snap Lake Mine had an indicated resource of 4.1 million tonnes with an average grade of 1.78 carats of diamonds per tonne. The mine is currently in care and maintenance.

<sup>1</sup> <http://www.nrcan.gc.ca/mining-materials/publications/17722>

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## Diamond Exploration

Kennady Diamonds Inc. continues to receive encouraging bulk sample results from its Kennady Lake North Project, adjacent to Gahcho Kué Mine. A highlight of this sampling, a 276-tonne sample recovered from the Faraday 3 kimberlite in early 2017, averaged 1.67 carats per tonne and contained a 7.78 carat gem. **Margaret Lake Diamonds** (Margaret Lake Project) and **Canterra Minerals** (Marlin, Rex, and King properties) are working in the vicinity of Gahcho Kué and Snap Lake. In addition, Margaret Lake Diamonds has partnered with

**Arctic Star Exploration Corp.** to explore a part of Arctic's T-Rex property in the Lac de Gras area. Exploration continues both south and north of the Ekati and Diavik diamond mines.

The Northwest Territories Geological Survey released regional airborne geophysical surveys and indicator mineral datasets in 2017 that indicate high diamond, gold and base metal potential in several underexplored areas in the Slave Geological Province.

Project Name	Project Owner / Manager	Sample Result <sup>1</sup>	Sample Size <sup>2</sup>	Diamonds Recovered
Lac de Gras (WO / DO27)	72.1% Peregrine Diamonds Ltd.; 17.6% Archon Minerals Limited; 10.3% DHK Diamonds Inc.	DO 27 Ind (Aug. 7 2008)	19.5 Mt	0.94 ct/t
Yamba Lake/Torrie/ Triceratops	Arctic Star Exploration Corp.	Prelim	83.6 kg	68 diamonds; 6 macros
CL 25 (Camsell Lake)	Canterra Minerals Corp.	Prelim	350.4 kg	221 diamonds; 9 macros
Afridi Lake	Crown Land	Prelim	511.3 kg	46 diamonds; 4 macros
Blue Ice/Victoria Island	Crown Land	Prelim	934 kg	172 diamonds
Nicholas Bay	Crown Land	Prelim	127.7 kg	1,174 diamonds
Drybones Bay/Mud Lake	David Smith	Prelim	10 t (Drybones); 100 t (Mud Lake)	97 macros; 11 macros
Snap Lake Mine	De Beers Canada Inc.	Prb (Dec. 31, 2015)	5.7 Mt	1.26 ct/t
Kennady North	Kennady Diamonds Inc.	Kelvin (Ind); Faraday (Inf)	8.5 Mt; 3.3 Mt	1.6 ct/t; 1.54 ct/t
Ranch Lake	Mike Magrum	Prelim	855 kg	266 diamonds; 46 macros
Hoam	Olivut Resources Ltd.	Prelim	TBD	6 diamonds from 3 kimberlites
Darnley Bay Gravity Anomaly	Pine Point Mining Ltd.	Prelim	533.1 kg	65 diamonds; 2 macros
Roundrock	Stornoway Diamond Corp.	Prelim	134.2 kg	19 diamonds; 6 macros
Cross Property	Stornoway Diamond Corp.	Prelim	2.4 t	7 diamonds
Munn Lake/ Mackay Lake	Zimtu Capital Corp. / DG Resource Management	Prelim	42 kg	14 diamonds; 2 macros

<sup>1</sup>Indicated Resource (Ind); Inferred Resource (Inf); Probable Reserve (Prb); Preliminary Sample Result (Prelim) <sup>2</sup>Tonnes (t); Million tonnes (Mt); Kilograms (kg); TBD (to be determined)

This publication is produced by the Department of Industry Tourism and Investment (ITI). The Northwest Territories has one of the most diverse geological environments of any jurisdiction in Canada, one that includes the oldest rocks in the world and geological features that have resulted from modern and ongoing processes. The Northwest Territories Geological Survey (NTGS) surveys, collects, analyzes and makes available public geoscience information gathered from a variety of sources, including information on mineral deposits and geology. NTGS, ITI and the NWT and Nunavut Chamber of Mines host the Yellowknife Geoscience Forum each year in November: [www.geoscienceforum.com](http://www.geoscienceforum.com)

For more information about these deposits, please refer to Guide to Selected Mineral Deposits of the Northwest Territories

[www.iti.gov.nt.ca/en/files/guide-mineral-deposits-northwest-territories](http://www.iti.gov.nt.ca/en/files/guide-mineral-deposits-northwest-territories)

Please visit company websites for latest information.

[www.nwtgeoscience.ca](http://www.nwtgeoscience.ca)

[www.iti.gov.nt.ca](http://www.iti.gov.nt.ca)

Note: Discrepancies in the numbers may differ from published reports due to rounding.