MINING in NEWFOUNDLAND and LABRADOR

Fall 2020
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The COVID-19 pandemic outbreak resulted in an unprecedented slowdown in global economic activity including the mining and mineral exploration sectors. The industry successfully responded to implement safety protocols to facilitate continuing operations however, some operations went to care and maintenance as a means to protect employees and communities. To assist industry in their response to the challenges created by the pandemic, federal and provincial governments implemented programs to help lessen the impact to individuals and companies.

Provincially, these efforts included waiving annual assessment expenditure requirements for the mineral exploration industry and deferring certain rental and fee payments. Government also worked with the mining industry and public health officials to ensure effective operations while adhering to public health measures. Although the long-term impact of COVID-19 on the mining industry is still unknown, the global economic downturn will continue to affect the industry for some time to come. Additionally, government launched a new Mineral Lands Administration Portal (MinLAP) to help ensure a seamless regulatory process for mineral exploration companies and prospectors and continued the Mineral Incentive Program, providing $1.7 million in financial assistance and training to support and encourage mineral exploration in Newfoundland and Labrador. The program includes junior exploration assistance and prospector assistance.

The forecast of the Gross Vale of Mineral Shipments (GVMS) for 2020 is $4.2 billion, representing an increase of 12 per cent from the previous year of $3.7 billion. The increase is mainly attributed to a rise in the value of iron ore shipments. The GVMS is calculated from a survey of producing mining companies, requesting the volume and value of each commodity they plan to ship in a given year.

Additionally, the mineral industry continues to support employment in the province, particularly in rural areas. The mining industry is forecast to generate 6,836 person years of employment in 2020, an increase of eight per cent from the previous year. The increase can be linked to construction employment at Vale Newfoundland and Labrador, with the Voisey’s Bay Mine Expansion Project that continues to advance.
Gross Value of Mineral Shipments

<table>
<thead>
<tr>
<th>Year</th>
<th>Non-Metals</th>
<th>Other Metals</th>
<th>Copper</th>
<th>Nickel</th>
<th>Iron Ore</th>
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<tbody>
<tr>
<td>2016</td>
<td>83.09</td>
<td>80.29</td>
<td>222.30</td>
<td>651.01</td>
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<td>2017</td>
<td>72.36</td>
<td>132.55</td>
<td>234.92</td>
<td>564.73</td>
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<td>2018e</td>
<td>214.01</td>
<td>213.22</td>
<td>586.82</td>
<td>662.06</td>
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<td>2019e</td>
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<td>220.64</td>
<td>662.06</td>
<td>678.28</td>
<td>2,642.95</td>
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<tr>
<td>2020f</td>
<td>133.02</td>
<td>210.99</td>
<td>678.28</td>
<td>678.28</td>
<td>3,047.47</td>
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Mining Average Employment

<table>
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<tr>
<th>Year</th>
<th>Operations</th>
<th>Construction</th>
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</thead>
<tbody>
<tr>
<td>2016</td>
<td>4,417</td>
<td>2,039</td>
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<tr>
<td>2017</td>
<td>4,735</td>
<td>409</td>
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<td>2018e</td>
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<td>2019e</td>
<td>5,199</td>
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<tr>
<td>2020f</td>
<td>5,504</td>
<td>1,332</td>
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Noteworthy Covid-19 Highlights

**Iron Ore Company of Canada** - IOC continues to safely and effectively operate its mining, processing, rail and shipping operations during the COVID-19 pandemic; their production and sales volumes remain strong. Rio Tinto has recently reaffirmed its 2020 guidance for IOC’s saleable production at between 17.9 and 20.4 million tonnes. Employment for 2020 is also projected to remain strong and despite demand and supply disruptions caused by the pandemic, IOC has been able to maintain both production and employment.

**Tata Steel Minerals Canada** – To protect employees and surrounding Indigenous communities, the TSMC mining operation went into care and maintenance from late March until May 2020. While production resumed in June, the stoppage is anticipated to reduce employment by about 30 per cent in 2020.

**Voisey’s Bay** - Operations at Voisey’s Bay were placed on care and maintenance on March 16, 2020, as a precaution to help protect the health and well-being of employees and Nunatsiavut and Innu Indigenous communities in Labrador. The operation transitioned to a planned maintenance period and subsequently back to operations in July. During these periods the Long Harbour Processing Plant continued to operate, relying on stockpiled concentrates as feed, to produce finished product.

**Rambler Mining and Metals** - RMM has kept the Ming Mine and Nugget Pond processing facility operational throughout the pandemic, albeit at a reduced rate due to the implementation of policies and protocols designed to keep employees safe and a reduction in the price of copper.

**Marathon Gold** - Marathon’s field drilling activities were suspended approximately two weeks early from their normal seasonal shutdown on March 14, 2020, due to the COVID-19 outbreak. Following the successful move to Alert Level 3 by the Newfoundland and Labrador Department of Health and Community Services on June 9, 2020, Marathon announced the recommencement of exploration activities at its exploration camp. Enhanced safety protocols for site access as well as camp and field based activities have been established to enable the resumption of the $8.9 Million program focused on the new Berry Zone discovery and future mineral resources.
IRON ORE

Iron Ore Company of Canada (IOC)

Location: Labrador West
Projects: Carol Lake and Smallwood North Pit Extension
Status: Producing
Commodity: Iron Ore
Life of Mine: Generational
Employment: 1,973 person years

IOC first began mining iron ore in the Schefferville / Menihek area of Québec and Labrador in 1954 and expanded into Labrador West in 1962 where it has been producing at the Carol Lake project ever since. The Labrador Iron Ore Corporation (LIORC) holds 15.1 per cent equity ownership, while Mistubishi Corp. holds 26.2 per cent and Rio Tinto holds the remaining 58.7 per cent.

LIORC receives a seven per cent gross sales royalty plus a 10 cent per tonne commission on all shipments. IOC operates a mine, concentrator and pellet plant near Labrador City with a 418 kilometre rail line, the Québec North Shore and Labrador Railway, linking the mine to its own port facility in Sept-Iles. IOC ships iron ore to markets throughout the world, predominantly in North America, Europe, the Middle East, North Africa and the Asia-Pacific region.

Production capacity at IOC’s Newfoundland and Labrador site is 23 million tonnes of concentrate of which 14 million tonnes can be processed to produce 12.5 million tonnes of pellets. During the second quarter of 2020, total saleable production of 4.7 million tonnes was 9 per cent higher than the second quarter of 2019.
On October 19, 2020, the Provincial Government of Newfoundland and Labrador announced $748,928 in funding for IOC's research and development project for increasing recovery of iron fines, one of the largest technical challenges for the iron ore industry.

IOC and the Innu of Uashat mak Mani-Utenam and Matimekush-Lac John have negotiated an agreement on reconciliation and collaboration. The agreement is an impact and benefit agreement on environmental cooperation, benefit sharing and economic development such as training, jobs and contracts within the communities.

Tata Steel Minerals Canada Limited (TSMC)

Location: Menihek, Labrador  
Status: Producing  
Commodity: Iron Ore  
Life of Mine: 12 years  
Employment: 180 person years

TSMC is a joint venture between Tata Steel of India (77.68 per cent), a large global steel producer; Investissement Québec (18 per cent), the Government of Québec investment agency; and New Millennium Iron Corp. (4.32 per cent), a Canadian junior mining company. Four railways are involved in getting the ore to the Port of
Sept-Îles; the KéRail spur line, Tshiuetin Rail Transportation (TSH), the Québec North Shore and Labrador Railway (QNS&L), and, at the southern end of the system, haulage is completed on Chemin de Fer Arnaud to stockpiling and ship loading facilities on the Pointe-Noire side of the Port of Sept-Îles.

The project has the capacity to produce 4.2 million tonnes per year of iron ore fines with an expansion for up to 6 million tonnes per year. In August 2020, TSMC achieved its best ever monthly production of 93,000 tonnes. Tata’s end products, shipped from the port of Sept-Îles are destined for Tata Steel’s manufacturing plants in Britain and other parts of Europe.

TSMC has operated as a direct shipping ore (DSO) project using crushing, drying and screening to produce ore with iron content of approximately 60 per cent. The company has a concentrator to beneficiate ore with an average iron grade of 58 per cent up to 65 per cent. This plant will enable TSMC to operate year round.
Tacora Resources Inc. (Tacora)

**Location:** Wabash, Labrador  
**Project:** Scully Mine and mill  
**Status:** Producing  
**Commodity:** Iron Ore  
**Life of Mine:** 26 years (projected)  
**Employment:** 287 person years

Tacora is a Canadian company incorporated in British Columbia, owned by MagGlobal LLC and Proterra M&M MGCA B.V. Ore is shipped via IOC’s Quebec North Shore & Labrador railroad to the port operator Société Ferroviaire et Portuaire de Pointe-Noire at Sept Îles, Quebec.

Tacora expects an annual production rate of six million tonnes of high grade, low impurity concentrate at full operation. Production has been ramping up since the second quarter of 2019. Iron ore concentrate will be sold as feed for sinter plants and pelletizing plants.

Tacora is using manganese separation that produces a concentrate with less than 1.4 per cent manganese. With manganese separation, they are able to avail of higher manganese ore closer to the surface and this contributes to a lower stripping ratio, lower mining costs, increased weight recovery and access to larger reserves.

Tacora has taken part in the Tailings Safety Initiative which is an investor-led initiative to improve disclosure standards around tailings management in the extractive industry. Led by the Church of England Pensions Board and the Swedish Council on Ethics for the AP Pension Funds, the initiative consists of 96 institutional investors representing over US $10.3 trillion in assets under management.

**Kamistiatusset**

**Location:** near Wabush, NL  
**Projects:** Kami  
**Status:** Developing  
**Commodity:** Iron Ore  
**Life of Mine:** 23 years  
**Employment:** Unknown

The Kami Iron Ore deposit was previously owned and explored by Alderon Iron Ore Corp. (Alderon). In September 2018, Alderon released an Updated Feasibility Study on the Kami property that demonstrated average annual production of 7.84 million tonnes and boasted Proven and Probable Mineral Reserves of 517.2 million tonnes. The project had been released from Environmental Assessment in January 2014.

In the summer 2018, Alderon closed a financing deal to borrow $14 million from Sprott Resource Lending. Alderon defaulted on their loan repayment obligations.

On June 17, 2020, Deloitte Restructuring Inc. was appointed by the Supreme Court of Newfoundland and Labrador as receiver of all the assets and property of the Kami Iron Ore project and Alderon. The receiver has entered into an Asset Purchase Agreement dated October 29, 2020, with Quebec Iron Ore Inc. and 12364042 Canada Inc, both subsidiaries of Champion Iron Limited, for the acquisition of certain mining assets of the Kami Iron Ore Project and related contracts.
Vale Newfoundland and Labrador Limited (VNL)

Location: Voisey's Bay, Labrador/Long Harbour, NL
Projects: Voisey’s Bay Open Pit Mine and Long Harbour Processing Plant
Status: Producing
Commodity: Nickel and Copper (concentrates)
Life of Mine: 34 years (projected) with the underground mine expansion
Employment: 2,786 person years (includes Mine and LHPP)

VNL operates an integrated open-pit mining and milling operation in Voisey's Bay. The copper concentrate is sold directly to the market, while the nickel concentrate is sent to the Long Harbour Processing Plant (LHPP), where it is processed using hydromet technology to produce nickel rounds, copper cathode and cobalt rounds. Through the first three quarters of 2020, VNL reported production of 10,100 tonnes of nickel, 5,700 tonnes of copper and 464 tonnes of cobalt from Voisey's Bay. The development of the Voisey’s Bay mine expansion (the underground mine) is approximately 41 per cent complete with expected capital expenditures of US$471 million as of April 2020. The expansion will produce about 45,000 tonnes of nickel per year.

The LHPP is advancing its production ramp-up with completion expected to coincide with the completion of the Voisey's Bay Mine Expansion Project. The target production rate for 2020 is approximately 37,000 tonnes of finished nickel. Upon ramp-up, the LHPP is expected to have a nominal capacity of approximately 50,000 metric tonnes of finished nickel per year. The quality of product produced from the LHPP is considered high, and has the potential to achieve significant premiums in the market.
Rambler Metals and Mining Canada Limited (RRM)

Location: Baie Verte  
Project: Ming Mine and Nugget Pond Mill  
Status: Producing  
Commodity: Copper-Gold  
Life of Mine: 20 years  
Employment: 195 person years  

RMM achieved initial commercial production on November 1, 2012. In 2019, RMM produced 5,299 tonnes of saleable copper and 4,887 ounces of saleable gold from the Ming Mine. The Company’s current focus is to regain pre-COVID-19 production levels of 1,350 tonnes per day at 2 per cent copper, and expects to have the ability to maintain this level at the end of 2021. RMM will evaluate expansion opportunities from this base level once regained. RMM also operates a year-round bulk storage and shipping facility at Goodyear’s Cove.

On September 28, 2020, RMM announced the structure and terms of a corporate refinancing that will position the company to re-establish full production, implement options for increased production and continue with prospective exploration. A term sheet has been created for a US$5 million conditional secured loan from institutional investor West Face Capital Inc. The Company is working toward executing the required precedent conditions as part of its obligation under the term sheet such as the sale of non-core assets, implementation of a plan for unsecured debts, conversion of existing debt and shareholder approval.
Anaconda Mining Inc. (Anaconda)

Location: Baie Verte
Project: Point Rousse – Pine Cove Pit
Status: Producing
Commodity: Gold
Life of Mine: 22 months
Employment: 100 person years

Anaconda’s operation consists of the Pine Cove open pit mine, the Pine Cove mill and tailings facility, the Stog’er Tight mine, the Argyle gold mine, and approximately 11,000 hectares of prospective gold-bearing property.

Anaconda sold 16,362 ounces of gold in 2019 from production at the Point Rousse Project, generating $29.5 million in revenue. With the final blast for the Pine Cove Pit having taken place in October 2020, the Argyle gold mine will become the predominant source of mill throughput over the next two years for Anaconda. The company estimates that the Argyle gold mine will produce nearly 31,000 ounces of gold.

On the exploration side, Anaconda is actively diamond drilling at its Tilt Cove Gold Project, located about 45 kilometres from the Pine Cove Mill. A 10,000 metre diamond drill program was announced on October 22, 2020.

Anaconda received of a grant through the Junior Exploration Assistance Program of $81,171 from the Province of Newfoundland and Labrador towards exploration work completed in 2019.
Marathon Gold Corporation (Marathon)

Location: Central, NL  
Project: Valentine Lake  
Status: Developing  
Commodity: Gold  
Life of Mine: 12 years  
Employment: 404 person years (construction) 426 person years (operations)

Marathon is a Toronto-based gold exploration and development company and is 100 per cent owner of the Valentine Lake Project located approximately 55 kilometres southwest of Millertown, NL.

Marathon released an updated Prefeasibility Study (PFS) in April 2020, based on an open-pit mine plan with a single stream of ore feeding a conventional mill with no heap leach. The updated plan allows for initial production, utilizing a smaller capacity mill, followed by a mill expansion to provide for higher longer-term throughput. The project includes four potential mining deposits: Leprechaun, Sprite, Marathon, and Victory deposits. It will require personnel accommodations and supporting infrastructure including roads; power lines; buildings; and water and effluent management facilities.

The PFS plan considers the start of construction to be January 1, 2022 with first gold pour by 2023 pending regulatory approval. The construction period is expected to last 18-24 months and once operational will run 24 hours per day, seven days a week on a 12-hour shift basis. Initial capital investment is estimated at $272 million, life-of-mine capital investment is estimated at $545 million. The project has mineral reserves of 1.9 million ounces (41 Mt at 1.41g/t gold) and a projected average gold production of 175,000 ounces per year.

Marathon registered the project for provincial Environmental Assessment (EA) in April 2019 and on September 30, 2020 submitted their Environmental Impact Statement to the Impact Assessment Agency of Canada and the NL Department of Environment, Climate Change and Municipalities. Marathon expects these reviews to occur over a period of approximately 12 months. Permitting for site-specific activities related to construction and operation would follow release from the EA process.

In May 2020, Marathon received of a grant through the Junior Exploration Assistance Program of $82,800 from the Province of Newfoundland and Labrador towards exploration work completed in 2019.

Matador Mining Ltd. (Matador)

Location: Near Port aux Basques, NL  
Project: Cape Ray Gold  
Status: Advanced Exploration  
Commodity: Gold  
Life of Mine: 7 years (based on Scoping Study)  
Employment: Exploration – 20 people  
Construction – 280 people  
Operation – 140 people

Matador is an Australian-based gold exploration company with its tenure covering 120 kilometres along strike of the Cape Ray Shear.
Matador plans to develop a 1.2 million tonnes per year mining and processing operation. In May 2020, Matador announced the results of a scoping study for the Cape Ray project. The study revealed the viability of a standalone gold operation. The proposed processing facility will be a threestage crush / ball mill circuit with average life of mine gold recovery of 96 per cent. During the minelife, projected gold mined will be 504,000 ounces, averaging 88,000 ounces per year during the first four years, with total silver production at 863,000 ounces averaging 124,000 ounces per year. Initial capital cost is estimated at $137 million with an anticipated payback of 1.75 years.

The project was registered for Environmental Assessment in July 2016 to develop the Cape Ray property and requires an Environmental Impact Statement that Matador plans to submit before the end of 2021. The Company is currently carrying out baseline environmental studies and has encouraged public participation through consultations in the communities of Port aux Basques and Isle aux Morts and as well as multiple meetings with First Nations groups.

The Company initiated a 12,500 metre drill program in 2020 targeting expansion of known deposits and defining future ready drill targets. Results are already published with a new discovery, Angus Deposit being the first new discovery within the land package in over 20 years. More recently, Matador has identified 33 new gold targets with twelve high priority targets to be tested with drilling in 2021. Matador has sufficient funds for the 2020/2021 exploration program with approximately $12 million in the treasury currently.

Matador has received of a grant through the Junior Exploration Assistance Program of $82,800 from the Province of Newfoundland and Labrador towards exploration work completed in 2019.

**Maritime Resources Corp. (Maritime)**

- **Location:** Green Bay, NL
- **Project:** Hammerdown and Orion
- **Status:** Developing
- **Commodity:** Gold
- **Life of Mine:** 9 years
- **Employment:** 100-150 person years (construction and operations)

Maritime is a gold mining and exploration company that holds a 100 per cent interest in the Green Bay Property, plus the Whisker Valley exploration project. The Hammerdown Mine was last operated by Richmont Mines between 2000-2004 producing 143,000 ounces of gold at an average mine grade of 15.7 grams per tonne gold through a combination of narrow vein open pit and underground mining.
On February 29, 2020, Maritime released a Preliminary Economic Assessment (PEA) for its Hammerdown and Orion deposits. The 2020 PEA reported an after-tax NPV (at five per cent) of $111 million and 50.5 per cent IRR at a $US1,375 per ounce gold price. Pre-production capital is US$57.1 million. Average production of 57,900 ounces per year will be through both open pit and underground mining methods. The current plan is to process ore from the mine at the Nugget Pond processing plant/mill owned by Rambler Metals and Mining Canada Limited. The construction phase is anticipated to last 6-12 months.

The mine was registered for Environmental Assessment (EA) on July 8, 2020. The Minister of Environment, Climate Change and Municipalities has advised the proponent that an Environmental Preview Report (EPR) is required for the project. An EA Committee has been appointed to provide scientific and technical advice to the minister and to draft guidelines for the proponent for conducting the EPR.

Maritime has received a grant through the Junior Exploration Assistance Program of $82,800 from the Province of Newfoundland and Labrador towards exploration work completed in 2019.

CFI operates an open pit mine, a mill facility, a man-made tailings facility and a marine shipping terminal that is currently under construction. CFI began shipping its fluorspar concentrate product to market in 2018.

Grebes Nest Pit is being mined with waste material used to construct mine roads and supply materials for the tailings dam construction. CFI also plans to develop the Center Pit and the Open Cut Pit. Once in full production, the operation will produce an average of 200,000 tonnes of acid-grade fluorspar per year.

The Blue Beach Marine Terminal, once complete, will benefit CFI in several ways. It will eliminate the need to truck fluorspar concentrate to the terminal in Marystown, which will reduce costs and the environmental footprint. The Blue Beach Marine Terminal will create flexibility in terms of the variety of ships that are available to ship fluorspar product and it provides an opportunity for CFI to ship aggregate to the seaborne market. This has the potential to extend the life of the operation.

**FLUORSPAR**

**Canada Fluorspar (NL) Inc. (CFI)**

**Location:** St. Lawrence, NL  
**Project:** AGS Fluorspar  
**Status:** Producing  
**Commodity:** Fluorspar  
**Life of Mine:** 10 years  
**Employment:** 275 person years
Atlantic Minerals Limited (AML)

**Location:** Lower Cove, Port au Port Penninsula, NL  
**Project:** Lower Cove Quarry  
**Status:** Producing  
**Commodity:** Limestone & Dolomite  
**Life of Mine:** Potentially greater than 25 years  
**Employment:** 88 person years

AML is a leading producer of chemical grade limestone, chemical grade dolomite and construction aggregates for the worldwide market. AML began operation in 1988 and has been the owner / operator since 1996.

AML operates 24 hours a day, seven days a week for nine months of the year. Clients include the power, steel, agricultural, pulp and paper and construction industries. The marine facility is capable of loading 3,000 tonnes per hour into Panamax class vessels. Products are shipped to locations in Canada, the United States, South America and Europe.

AML’s expansion of mine activities into the White Hills area, adjacent to the existing mine was released from Environmental Assessment in August, 2016. The total annual production rate will increase from two million tonnes a year to approximately three million tonnes per year. The anticipated labour requirements during the construction phase of the quarry extension will be approximately 64 contract workers. The expansion would extend existing operations for approximately 25 years based on the estimated annual production rate of two million tonnes of high grade calcium limestone and one million tonnes of dolomite limestone.
BBAM is owned by China Minmetals Rare Earth Group Co. Ltd. The operation restarted in March 2019, after being in care and maintenance since January 2013. During the COVID-19 pandemic, BBAM closed its mine for a brief period but had resumed mining with limited capacity. On November 17, 2020, BBAM announced it temporarily suspended operations at the mine and cited the pandemic as hampering its financial situation significantly. The Company has indicated they will continue to assess the reopening of the mine over the winter and spring months ahead.
The Ace Gypsum Deposit reactivated a small, past producing mine to extract gypsum and anhydrite, a form of gypsum. RMR announced its first shipment of gypsum from the mine on September 4, 2018. RMR uses traditional open-pit methods at rates contingent on the demand cycle. Production for the 2020 season is expected to exceed 100,000 tonnes. RMR estimates annual production rates could reach 300,000 to 450,000 tonnes should markets develop.

**Galen Gypsum Mines Limited (Galen)**

**Location:** St. George's Bay, western NL  
**Project:** Coal Brook Gypsum  
**Status:** Idled  
**Commodity:** Gypsum  
**Employment:** 3 person years

Despite restarting seasonal gypsum mining operations in July 2017, after production was last recorded at the mine in 2009, Galen has not operated since 2018.

**PEAT**

**Hi-Point Industries (1991) Ltd. (Hi-Point)**

**Location:** Bishop’s Falls, NL  
**Status:** Producing  
**Commodity:** Peat  
**Employment:** 23 person years

Hi-Point is a local manufacturer of quality environmental and horticultural peat products. Its patented Oclansorb product is an organic, nontoxic, nonabrasive, lightweight, industrial oil absorbent used worldwide as a first response for handling hydrocarbon spills. Oclansorb is made from naturally occurring blonde sphagnum peat moss.

**PYROPHYLLITE**

**Trinity Resources Ltd. (Trinity)**

**Location:** Conception Bay South, NL  
**Status:** Producing  
**Commodity:** Pyrophyllite  
**Employment:** 20 person years

First operated in 1904 under The North American Talc Company, Trinity is now a privately held company that, in addition to producing pyrophyllite, also sells waste rock for use as aggregates in white cement. The Company ships product from its own six-acre ship loading facility located within 4 km of the mine.

In 2020, Trinity is forecasted to ship 130,000 metric tonnes of cement grade product from its ship loading operation in Long Pond. While representing a 25 per cent reduction from 2019 levels due to the pandemic impact, Trinity fully expects shipment levels will return to the nominal 200,000 tonne level in 2021. Trinity states that it has reserves greater than 35 million tonnes.
**BARITE**

**Barite Mud Services Inc. (BMSI)**

Location: Buchans, NL  
Status: Producing  
Commodity: Barite  
Life of Mine: 15 years  
Employment: 21 person years

BMSI reprocesses tailings from the American Smelting and Refining Company’s historic base metal mine to recover barite. The barite product is used as a drilling mud for the offshore oil operations in Newfoundland and Labrador. Historically, the project has operated annually between May and October, reprocessing 40,000 to 50,000 tonnes of tailings per season to retrieve 10,000 to 15,000 tonnes of barite. BMSI did not operate in 2018 or 2019, but has resumed production in 2020 after significant capital investment.

**RARE EARTH ELEMENTS**

**Search Minerals Inc.**

Location: Southeast Labrador  
Project: Foxtrot  
Status: Developing  
Commodity: Rare Earth Elements  
Life of Mine: 8 years (open pit) and 6 years (underground)  
Employment: 140 person years (open pit) and 220 person years (underground)

Search, through its wholly owned subsidiary Alterra Resources Inc. discovered the Critical Rare Earth Element (CREE) District in southeast Labrador. Search has completed a Preliminary Economic Assessment (PEA) report for the Foxtrot deposit, a resource estimate for Deep Fox and is working on three exploration prospects including Fox Meadow, Silver Fox and Awesome Fox. In April 2016, Search released an updated PEA on the Foxtrot project evaluating an open pit and underground mine development. The PEA estimated an initial capital cost of $152 million ($232 million including sustaining and closure capital) and after-tax payback of 4.4 years on a projected mine life.

Search filed the Foxtrot REE Mine for provincial (December 2017) and federal (January 2018) Environmental Assessment (EA). Search is required to submit an Environmental Impact Statement (EIS) for the project.

On October 29, 2020, Search entered into a Memorandum of Understanding with the Saskatchewan Research Council (SRC). The Government of Saskatchewan recently announced $31 million in funding for a Rare Earth Processing Facility in Saskatoon that will provide Search with the opportunity to demonstrate the separation of their rare earth concentrate into individual rare earth oxides. This will position Search as a potential supplier in the Canadian and North American rare earth supply chain.

In May 2020, Search acknowledged receipt of a grant through the Junior Exploration Assistance Program of $57,600 from the Province of Newfoundland and Labrador towards exploration work completed in 2019.
Mining in Newfoundland and Labrador

### Producing Mines

1. Vale Newfoundland and Labrador Limited,
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   b) Voisey’s Bay Underground Mine Expansion
2. Iron Ore Company of Canada,
   a) Labrador City - Carol Lake
   b) Smallwood North Pit Extension
3. Tata Steel Minerals Canada Limited,
   a) Menihek
   b) Howse Property
4. Atlantic Minerals Limited,
   a) Lower Cove
   b) White Hills
5. Anaconda Mining Inc.,
   a) Pine Cove Pushback
   b) Argyle Deposit
6. Rambler Metals and Mining Canada Limited,
   a) Ming Mine
   b) Phase III Expansion
7. Canada Fluorspar (NL) Inc.,
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   b) Marine Shipping Terminal Project
8. Hi-Point Industries (1991) Ltd.,
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9. Trinity Resources Ltd.,
   Manuels
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12. Barite Mud Services Inc.
    Buchans

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14. Rambler Metals and Mining Canada Limited,
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### Developing Properties

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16. Search Minerals Inc.,
    Port Hope Simpson
17. Matador Mining Ltd.,
    Port aux Basques
18. Champion Iron Ltd.
    Kami
19. Maritime Resources Corporation
    Hammerdown
Cover: Iron Ore Company of Canada, Electric Shovel
Photo Credit - Iron Ore Company of Canada

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