

EXPLORATION & DEVELOPMENT HIGHLIGHTS 2013

Department of Natural Resources, Mines Branch



NEWFOUNDLAND AND LABRADOR

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OVERVIEW

The minerals industry in Newfoundland and Labrador continued to grow in 2013, with expansion at existing operations and new developments in progress. As in recent years, advances in the iron-ore sector dominated the industry, and despite the decline in gold prices, major gold projects on the Island remained active. However, the shortage of financing available for early stage exploration projects has led to some consolidation in the junior sector.

Exploration spending in the Province is estimated to have decreased slightly to about \$181 million in 2013. However, this number may be inflated, given continued weakness in the sector. In 2013 12,119 claims were staked, representing an increase from 2012 levels but still well below historical averages.

GOVERNMENT SERVICES

The Department of Natural Resources' Mineral Incentive Program continued its targeted support of the exploration sector with a budget of \$2.0 million for the 2013/14 fiscal year, for cost-shared funding of approved projects. This program also supports prospectors through direct grants, mentoring and training courses.

Likewise, the Department maintained delivery of its geoscience program (\$2.0 million allocated to field projects in 2013). Key initiatives designed to encourage exploration included research, field mapping and metallogenic studies of iron ore in Labrador and of gold and base metals in Newfoundland. Till geochemical studies have also been conducted on the Island.

The Department also assists the mineral industry through its extensive web-based research tools and utilities, including GIS-based databases and mineral claim staking. The web-based Geoscience Atlas is updated regularly with new geochemical and geophysical data,

with a continuing focus on building the provincial bedrock-geology database.

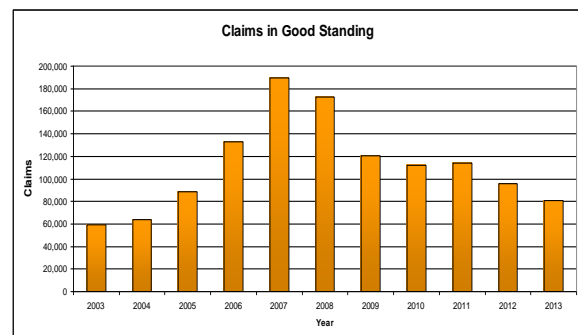
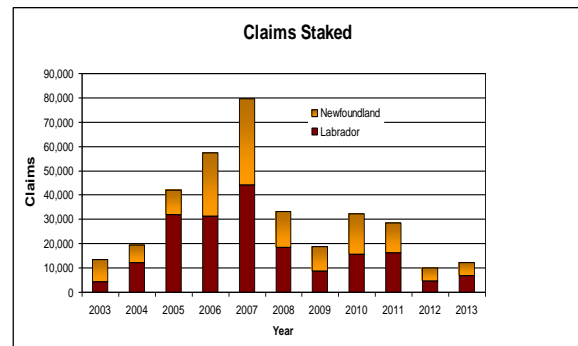
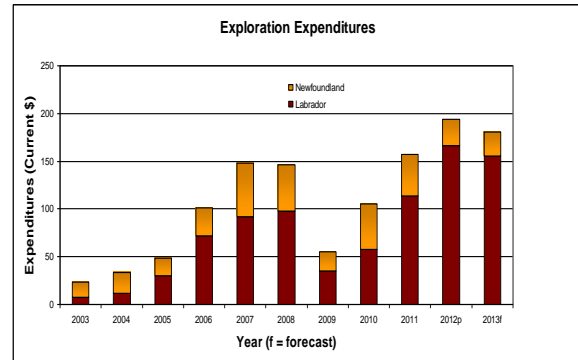
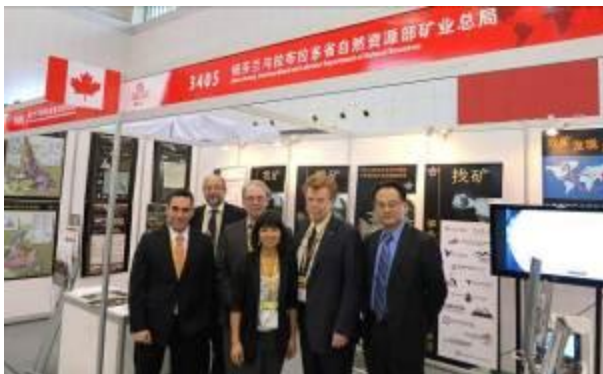


Figure 1. Exploration statistics, 2003 – 2013.

The Department plays a lead role in informing potential investors, both in Canada and abroad, about the Province's mineral resources, mineral potential and the overall operating environment of the mineral sector. This effort is conducted through a variety of initiatives and activities including participation in annual technical conferences such as the PDAC, Roundup and our own Mineral Resources Review; developing and maintaining technical/promotional materials relating to the mineral sector; publishing general or sector-specific technical articles in trade journals; responding to queries on mineral investment opportunities; and developing and maintaining a substantial minerals investment section on the Department website.

In recent years, the Department's marketing efforts have increasingly turned to the fast-growing Asian sector, both as a source of investment capital for advanced projects, and as a market for our existing and potential mineral resources. This effort includes participating in the annual China Mining conference, and related mineral investment forums in China and Canada; helping organize, in cooperation with other jurisdictions and the federal government, inbound trade missions from China and developing and maintaining a Mandarin section on the investment side of the website.



China Mining Conference, Beijing, 2013.

NOTE TO READER

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OUTLOOK

The 2014 outlook for the minerals sector in the Province is positive, with several important developments in mining and processing expected to take place in 2014.

Vale has declared Phase 1 mechanical completion of their Long Harbour hydromet nickel facility and plans to commission the plant in 2014. Vale has also announced their decision to proceed with underground development at the Voisey's Bay Ni-Cu-Co Mine.

Tata Steel Minerals Canada is expected to finish construction and achieve commercial production at its DSO iron ore Project in western Labrador.

Alderon Iron Ore has been released the provincial environmental assessment and is in the process of ordering long-lead items for the proposed Kami iron mine in western Labrador.

Prices for most of the commodities produced or explored for are relatively strong on a historical basis, and forecasts for most base metals remain positive, although nickel may be the exception.

The Labrador Trough saw sustained high levels of iron-ore production in 2013, and increased production levels are forecast for 2014.

On the exploration front, the lack of financing available for early stage projects remains a significant concern for junior companies in the Province. Alternative and non-traditional sources of financing are being sought by companies here, as elsewhere in the world. Exploration activity is forecast to be muted as a result of the sustained weakness in financial markets.

For further information on the minerals sector in Newfoundland and Labrador, please visit the Department of Natural Resources website at http://www.nr.gov.nl.ca/nr/mines/exploration/exploration_activity/exp_overview.html or contact [Phil Saunders](#), Mineral Exploration Consultant.

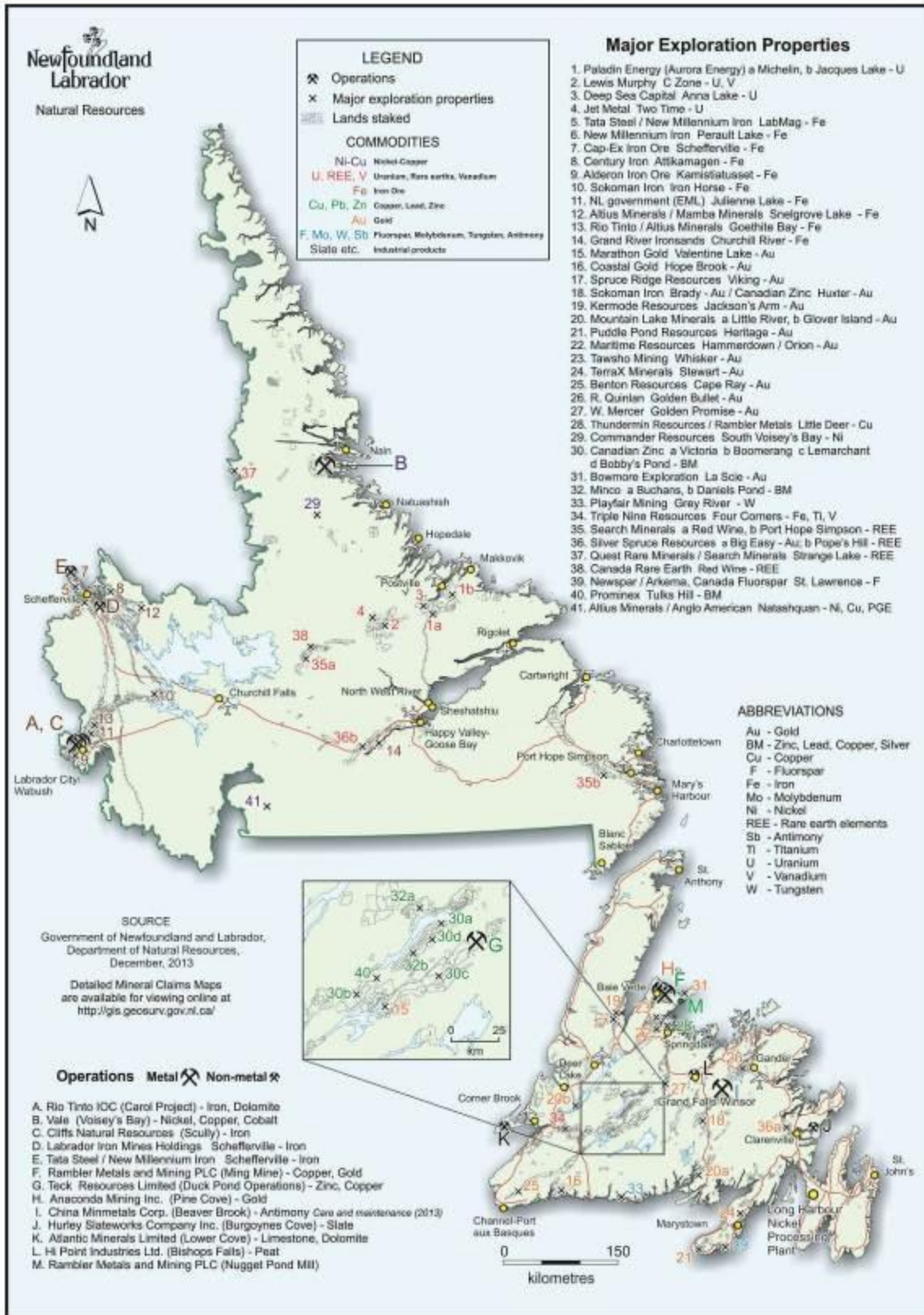


Figure 2. Mining operations and major exploration properties, 2013.

NEW MINING AND PROCESSING DEVELOPMENTS



*Concentrate Storage Shed,
Rambler Metals and Mining PLC*

The strong and sustained demand for iron, particularly from developing nations, led to continued growth in the Labrador Trough iron mining district. This includes new construction, expansion of existing operations, and continued exploration throughout the region.

In western Labrador, **Rio Tinto IOC** announced that phase two of its Concentrate Expansion Program at the Labrador City operation will be completed in 2014. This expansion will bring the annual concentrate capacity to 23.3 million tonnes. A proposed third phase of the expansion program could bring annual concentrate production to 26 million tonnes.

Labrador Iron Mines Holdings Ltd. (LIM) sold 1.7 million wet tonnes of iron ore for 2013, meeting production targets and representing a 42% increase in production from 2012.

Tata Steel Minerals Canada Ltd. (TSMC; a partnership between **Tata Steel** and **New Millennium Iron Corp.**) shipped its first load of iron ore to Tata Steel Europe's plants. Production is expected to ramp up in 2014 with completion of TSMC's year-round processing plant. Expected production in 2014 is 3 million tonnes.

Vale announced that Phase 1 construction of its Long Harbour hydromet processing facility was completed. The plant will be commissioned using nickel matte from Indonesia but it is expected that concentrate from Voisey's Bay will be processed by the facility in 2015.

In related developments, Vale announced that development of the Eastern Deeps deposit at its Voisey's Bay operation will start in 2015. It is expected that production from this mine will commence in 2019.

Anaconda Mining Inc. continued to produce and sell gold (~3000-4500 ounces per quarter) and announced that it had retired all interest bearing debt on its balance sheet. Production is forecast to increase in 2014.



Pine Cove Mill, Anaconda Mining Inc.

Rambler Metals and Mining plc continued production of copper-gold concentrate from its Ming Mine. Production has increased steadily since commercial production was achieved in late 2012 with significant improvement in recoveries as the Nugget Pond mill is optimized. Total production in 2014 is forecast to be between 200,000 and 220,000 tonnes of ore.

Canada Fluorspar (NL) Inc. (CFI) announced the results of an updated Preliminary Feasibility Study ("PFS") for its underground St. Lawrence Fluorspar Project on the Burin Peninsula. The PFS calculates a base case, pre-tax Net Present Value (NPV) of \$124 million and a pre-tax Internal Rate of Return (IRR) of 16.4%, assuming a 5.0% discount rate. Production of fluorspar is estimated to average 131,000 t/y over a fourteen-year mine life.

Teck Resources Limited started production from its Boundary open pit in June 2013. Ore from the Boundary deposit is used to supplement ore produced from the underground operation and will help extend mine life to 2015.

EXPLORATION HIGHLIGHTS

Iron Ore



Processing Plant Dome, Tata Steel Minerals Canada Ltd.

Exploration for iron in the Labrador Trough has increased dramatically in recent years. Two principal ore types are targeted: magnetite—hematite-bearing taconite and metamorphosed equivalents (e.g., Alderon, Altius/Rio Tinto) and weathered, hematite-rich, high-grade, direct shipping ores (DSO) (e.g., Century, LIM).

Alderon Iron Ore Corp.'s proposed iron ore mine near Labrador City – the Kami Project – has been released from the provincial Environmental Assessment process and has entered the final stage of the federal review. The company has advanced discussions with Newfoundland and Labrador Hydro toward a Power Purchase Agreement to supply the electricity that will be required. Earlier in 2013, Alderon announced feasibility study results for the Kami Project showing a Net Present Value (NPV) of \$3.244 billion based on a production rate of 8 million tonnes per year of iron-ore concentrate at a grade of 65.2% Fe.

Cap-Ex Iron Ore Ltd. filed a positive Preliminary Economic Assessment (PEA) for its Block 103 Project in Labrador northwest of Schefferville. The PEA is based on the first thirty years of production, which will require the processing of 1.9 billion tonnes at 28.8% total iron and 18.6% magnetic iron. Cap-Ex previously announced a National Instrument (NI) 43-101 inferred resource of 7.2 billion tonnes at 29.2% total iron (18.9% magnetic iron) based on a cut-off grade of 12.5% magnetic iron. The

inferred resource covers an area with a strike length of approximately 4 km and a width of 2.5 km, with mineralized zones open toward the northwest and southwest and to depth. Preliminary metallurgical results indicate a marketable pellet feed product.

Golden Dory Resources Corp. – since renamed **Sokoman Iron Corp.** – carried out an airborne gravity-gradiometer survey on its Iron Horse property in western Labrador. The survey, incorporated with airborne magnetic data from 2008 and geological and diamond-drill data from 2012, has outlined several target areas that share characteristics suggestive of DSO (direct shipping ore). The largest target area lies immediately south of a previously identified anomaly where surface sampling has returned in excess of 53% Fe and where diamond drilling in 2012 returned numerous intercepts including 120.93 m grading 30.08% Fe.

Labrador Iron Mines Holdings Ltd. announced the completion of a joint-venture agreement with **Tata Steel Minerals Canada Ltd.** for the exploration and development of the Howse iron-ore deposit in the Menihek area of the Labrador Trough. As part of the agreement, Labrador Iron Mines was due to undertake a drill program of up to 10,000 m in 70 holes.

Labrador Iron Mines also announced the first NI 43-101 inferred mineral resource for the Elizabeth Taconite Project in Labrador near Menihek, at 620 million tonnes at 31.8% Fe, with the deposit open along strike to the northwest and southeast. The Elizabeth Taconite Project is 100%-owned by Labrador Iron Mines and is located approximately 4 km west of the company's currently producing James Mine.

Mamba Minerals Ltd. completed an eight hole, 814-m drill program at the Snelgrove Lake Project in Labrador, southeast of Schefferville. Results demonstrate that hematite mineralization is typically more than 100 m deep and may be continuous over 4 km, with more than 1,500 m of strike length remaining untested. Assay results include a 101-m interval grading 52% iron with low levels of impurities.

New Millennium Iron Corp. announced a NI 43-101 compliant resource estimate of 3.58 billion tonnes of indicated resources and 795 million tonnes of inferred resources for the Sheps Lake and Perault Lake properties. The

company also announced a resource estimate of 7.63 billion tonnes of indicated resources and 3.31 billion tonnes of inferred resources for the Howells River North and Howells Lake properties. Both estimates are based on a cut-off grade of 18% DTWR (Davis Tube Weight Recovery). Together with the LabMag property, these properties form the bulk of the Labrador portion of the 210-km-long Millennium Iron Range near Menihek, one of Canada's largest iron-ore areas, which is controlled by New Millennium. **Naskapi LabMag Trust** through **LabMag Limited Partnership** owns 20% of the Sheps Lake and Howells River North properties.

Century Iron Mines Corp. announced positive assay results from its 2013 drill program on the Joyce Lake DSO (“direct shipping ore”) Project in Labrador, east of Schefferville. Highlights include 42 metres of enriched iron mineralization with an average of 64.11% total iron and 45 metres of enriched iron mineralization with an average of 63.93% total iron and ending in high-grade mineralization. The program focused on expanding the NI 43-101 resources reported earlier in 2013 at 10 million tonnes of measured and indicated mineral resources at an average grade of 59.45% total iron plus an additional 5.6 million tonnes of inferred mineral resources at cutoff grade of 50% total iron. Century filed a PEA for the project showing a NPV of \$90.4 million. The Joyce Lake Project is a joint venture between Century and **WISCO Attikimagen**



Drilling at Century Iron Mines' Joyce Lake Project

Gold



Valentine Lake Project, Marathon Gold Corp.

Despite a significant decline in gold prices in 2013, grass roots and advanced exploration continued on the Island of Newfoundland. New resource estimates were reported on several deposits which are advancing toward the feasibility stage, and interesting new discoveries have been announced on greenfield and brownfield sites. Deposit types vary considerably, reflecting the diverse geology and mineralizing environments of the region. Advanced projects are targeting orogenic gold (Marathon Gold), as well as epithermal-style (Coastal Gold, Silver Spruce) and intrusion-hosted gold (Canadian Zinc).

Anaconda Mining Inc. announced that drilling at its Romeo and Juliet prospect adjacent to its operating Pine Cove mine has intersected a new and distinct gold-bearing zone dubbed the Balcony Zone. Mineralization has been traced for approximately 100 m and is open to the east, west and down dip. Assay results include 4.35 g/t Au over 8.44 m. Other 2013 assay highlights from drilling near the Pine Cove mine include 2.34 g/t Au over 41 m immediately west of the Pine Cove deposit and 3.32 g/t Au over 12.06 m down-dip of the deposit.

Anaconda also began a regional helicopter-borne electromagnetic / magnetic survey over its Pine Cove property with the intent to combine the data with archived gold-in-soil geochemical data and prospecting to further delineate exploration targets.

Benton Resources Inc. undertook prospecting, mapping, soil sampling, line-cutting, and an IP survey on its Cape Ray Project. The soil sampling identified a distinct 600 m by 150 m Au–Pb–Zn–Ag anomaly (trace to 801 ppb Au, 2 to 561 g/t Pb, 3 to 326 g/t Zn, trace to 4.1 g/t Ag) associated with a distinct magnetic low similar to that associated with the 51 deposit situated 600 m along strike to the northeast. The company also began metallurgical testing on a 150-kg mini bulk sample from the 51 deposit; as a check, samples totaling 20 kg were sent for assay, returning an average grade of 8.62 g/t Au, 33.34 g/t Ag, 1.73% Pb, 0.72% Zn and 0.22% Cu. Results from the metallurgical testing have not yet been announced.

Bowmore Explorations Ltd. undertook a regional bedrock sampling program on its La Scie Property located on the Baie Verte Peninsula, identifying three broad zones of anomalous gold values. Chip samples from the three zones have assayed as high as 56.5, 1.7 and 6.6 g/t Au, respectively. Mineralization consists of disseminated pyrite–gold in sericite shists and felsic tuff that are also cut by auriferous quartz veins. Subsequent soil and rock sampling was carried out to help identify drill targets for 2014.

Cache Exploration Inc. announced results from its 2012 outcrop sampling program on its Cross Hills IOCG Property in southern Newfoundland. Highlights include 3.51 g/t Au, 5.2 g/t Ag, and 0.41% Cu from a composite grab sample of a quartz–hematite vein contact zone.



*Vibracore Drilling, Hope Brook Project,
Coastal Gold Corp.*

Coastal Gold Corp. (formerly Castillian Resources Corp.) announced an updated NI 43-101 compliant resource estimate for the Hope Brook Project incorporating an additional 5951 m of diamond drilling. This estimate includes 1,239,000 ounces of gold in the indicated category with an overall grade of 1.93 g/t Au, 966,000 ounces of which are potential open pit resources with an overall grade of 1.70 g/t Au, with the remaining 273,000 ounces are potential underground resources with an overall grade of 3.76 g/t. An additional 138,000 ounces, principally underground, are classified as inferred resources. The resources are open along strike to the southwest and at depth.

Coastal also announced results from Vibracore drilling conducted on mine tailings at Hope Brook. The drilling returned highlights of up to 1.73 g/t gold and 0.12% copper over 2.39 m and 1.40 g/t gold and 0.08% copper over 3.29 m, and indicate that the tailings are higher grade than historically reported. The company is moving forward with a NI 43-101 resource estimate on the tailings.

Coastal also started metallurgical testing on samples from the Hope Brook site that will focus on additional opportunities for process improvement, including further development of the gravity concentration circuit and the potential for pre-concentration of the mill feed.

Marathon Gold Corp. completed 8,757 m of drilling in 26 holes on the Leprechaun Gold Deposit, Valentine Lake Project, central Newfoundland. Highlights of this drilling include 24.53 g/t Au (cut) over 2.7 m, and 15.47 g/t Au (cut) over 3.6 m. This drilling was incorporated into an updated resource estimate divided into open-pit and underground resources. The open-pit resource includes a measured resource 247,000 ounces of gold (3.5 million tonnes @ 2.18 g/t gold), an indicated resource of 412,000 ounces of gold (6.2 million tonnes @ 2.07 g/t gold) and an additional 71,000 ounces of gold in the inferred category (1.2 million tonnes @ 1.82 g/t gold). The underground calculation includes a measured resource of 17,000 ounces of gold (108,000 tonnes @ 4.83 g/t gold), an indicated resource of 100,000 ounces of gold (764,000 tonnes @ 4.05 g/t gold) and an inferred resource of 69,000 ounces of gold (349,000 tonnes @ 6.13 g/t gold). The high-grade vein extensions have been traced to over 400 m

down-dip and still remain open at depth and down-plunge.

Marathon also completed near-surface drilling on the Sprite Zone located northeast of the Leprechaun Deposit, with results of up to 2.48 g/t Au over 8.0 m including 8.99 g/t Au over 1.0 m, and 1.47 g/t Au over 10.0 m including 5.40 g/t Au over 1.0 m. Additional field work within the Sprite Zone located abundant high-grade gold-bearing quartz–tourmaline–pyrite (QTP) veining over an area in excess of 1.2 km in strike length by up to 0.5 km in width, with grab samples ranging up to 58.13 g/t Au.

Marathon also announced assay results from near-surface 2012 drilling on the J. Frank Zone located southwest of the Leprechaun Deposit. Highlights include 4.58 g/t Au over 5.4 m including 23.42 g/t Au over 0.9 m and 12.95 g/t Au over 2.87 m including 24.02 g/t Au over 1.0 m.



*Pit Outline, Leprechaun Deposit,
Marathon Gold Corp.*

Marathon also completed 2,032 m of near-surface drilling on its Victory Gold Deposit (formerly Valentine East Hill) located 13 km northeast along strike from the Leprechaun Deposit. Highlights from the drill program include 4.14 g/t gold over 11.0 m, and 2.72 g/t gold over 19.0 m. This drilling was subsequently incorporated into Marathon's first open-pit mineral resource estimate that includes an indicated resource of 41,000 ounces of gold (761,000 tonnes @ 1.67 g/t gold) and an inferred resource containing 9,000 ounces of gold (199,000 tonnes @ 1.47 g/t gold). The Victory Deposit is open both down-dip and along strike to the northeast and southwest.

Subsequent trenching up to 300 m northeast of the Victory Deposit has extended the known strike length of gold-bearing QTP vein mineralization at the Victory Deposit to 700 m, with grab samples ranging up to 140.97 g/t Au and channel samples ranging up to 2.11 g/t Au over 18.18 m including 8.17 g/t Au over 2.96 m.

Maritime Resources Corp. announced a NI 43-101 compliant resource estimate for its 100%-owned Green Bay Gold Property in central Newfoundland, totaling 428,600 ounces of gold in the measured and indicated categories and 661,100 ounces in the inferred category. The resource estimate includes the Orion, Hammerdown, Rumbullion, and Muddy Shag deposits. The company has engaged AMEC in St. John's to commence permitting toward restarting production on the Green Bay Gold Property.

Maritime completed trenching on its Rumbullion Main vein system on the Green Bay Gold Property, uncovering the vein on surface 180 m farther east from where mining of the Hammerdown gold deposit terminated in 2004. Channel-sample assay results include 42.54 g/t Au over 0.40 m and 64.08 g/t Au over 0.2 m from two of the easternmost channels. The Hammerdown deposit was mined between 2000 and 2004 and produced ore at an average grade of 16.1 g/t Au.

Maritime reported 96% gold recovery in metallurgical tests on the Orion gold deposit, located 1.5 km from the Hammerdown deposit. The test materials were 25 kg core samples. This is the first metallurgical work completed on material from Orion and was designed to examine the viability of upgrading, with optimization to be included in future tests.

Puddle Pond Resources Inc. completed five drillholes totalling 498 m on its Heritage Gold – Silver Project on the Burin Peninsula. The holes were located along a 1 km section of epithermal mineralization outlined in 2012 by surface trenching. All five holes intersected the down-dip extension of surface mineralization. Gold assays are consistently above 0.02 g/t and range up to a best value of 2.4 g/t Au (over 0.5 m). Other individual assay highlights include 1.44 g/t Au over 1.0 m, 1.23 g/t Au over 0.6 m, 9.26 oz/t Ag over 0.4 m, and 2.5 oz/t Ag over 3.6 m. A northward increase in gold and silver grades may be pointing toward a 'sweet spot' as

suggested by bonanza grades up to 117 g/t Au and 2,769 g/t Ag obtained in 2012 surface samples.

Detailed prospecting and manual stripping by Puddle Pond on the Heritage Project has discovered an additional, higher grade zone of epithermal mineralization measuring 1000 x 300m with samples frequently yielding assays between 0.5 g/t and 3.76 g/t gold. A best channel result of 1.5 g/t gold over 6 m has been recorded with several other channel sites up to 800 m from this channel also yielding 1.5 g/t over channel lengths up to 4 m. Silver is also typically enriched and ranges up to 293 g/t. Low abundances of base metals occur in the gold- and silver-enriched samples. Future drilling is planned for this target.

Silver Spruce Resources Inc. reported results from its high-resolution magnetic / VLF-EM survey carried out on its Big Easy gold – silver property in eastern Newfoundland. The 349-line-km survey covered the property at 70 m terrain clearance and nominal 300-m-line spacing, with 200-m-line spacing over two zones of known mineralization. The two zones (“Big Easy” and “ET”) located 3.5 km apart are joined by a sinuous magnetic low, which may represent alteration / mineralization linking them. To date, the mineralization has only been drill-tested at the Big Easy zone, in the northern part of the property.

Mineralogical studies on Big Easy mineralization conducted at Memorial University found native silver (Ag), electrum (Au/Ag), acanthite (Ag₂S) and unidentified silver-sulphide-selenide (Ag-S-Se) minerals, mainly in “ginguro” bands (narrow erratic black bands) in banded silica (quartz) veins.

According to independent consultant Dr. Hedenquist, textures and veins in outcrop at the Big Easy zone indicate that the present surface is the paleosurface where hot springs were present, that high-grade gold–silver veins – if present – should lie deeper below the present surface, and that there is also potential to be tested along strike.

Zonte Metals Inc. announced partial results from a 52.5-line-km induced polarization survey carried out on its Wings Point Gold Project during the fall of 2012. Interpretation for two of eight grids has identified a number of high-

priority targets, with the remaining interpretations in progress.

Base Metals (Zinc, Lead, Copper)



*Diamond Drilling, Lemarchant project,
Canadian Zinc Corporation*

Base-metal exploration on the Island of Newfoundland traditionally focused on volcanogenic massive sulphide (VMS) deposit types. Two subclasses are generally recognized: *polymetallic* (Zn-Pb-Cu +/- Au, Ag), and *Cu dominated* (+/- Au). Strong base-metal prices are having a positive impact on exploration and development, with the Ming Mine project now in production and with positive Preliminary Economic Assessments published on others (e.g., Little Deer, Lundberg).

Buchans Minerals Corporation (Now Minco plc) announced a new resource estimate for the Lundberg base-metals deposit at Buchans in central Newfoundland. The new resource estimate consists of indicated resource of 23.44 million tonnes grading 1.41% zinc, 0.60% lead, 0.35% copper, 5.31 g/t silver and 0.07 g/t gold and an additional inferred resource of 4.31 million tonnes grading 1.29% zinc, 0.54% lead, 0.27% copper, 4.47 g/t silver and 0.08 g/t gold. This resource is based on a total of 231 diamond-drill holes totaling 24,519 m.

Calibre Mining Corp. announced an updated NI 43-101 Inferred Resource Estimate of 14.1M tonnes grading 1.86% Zn, 0.42% Cu, 0.02% Pb, 1.07 g/t Au, and 17.12 g/t Ag at the Point Leamington massive sulphide Deposit in north-central Newfoundland. The company subsequently executed a Purchase and Sale Agreement with **Raystar Capital Ltd.** to sell its 100% interest in the deposit.

Canadian Zinc Corporation drilled 26 holes totaling 8,298 m at the Lemarchant deposit on its wholly owned South Tally Pond copper–lead–zinc–silver–gold project in central Newfoundland. The drilling encountered ‘the Northwest zone’, a new zone of massive sulphide mineralization located 250 m northwest of the Lemarchant deposit. Assay highlights from the Northwest zone include 8.21% zinc, 3.66% lead, 0.72% copper, 150.0 g/t silver and 3.24 g/t gold over 8.7 m and 3.48% zinc, 1.21% lead, 0.36% copper, 87.5 g/t silver, 1.80 g/t gold over 30.3 m. Significant precious metal values accompany the Northwest zone base metal mineralization, including samples assaying 463.0 g/t silver over 1.0 m and 17.5 g/t gold over 0.8 m. The Northwest zone now extends over a 100-m strike length and remains open for expansion. Other assay highlights from 2013 drilling at the Lemarchant deposit include 1.08% Cu, 5.17% Pb, 13.96% Zn, 197.23 g/t Ag and 0.42 g/t Au over 2.6 m, a discovery that has extended the Lemarchant deposit mineralization 35 m up-dip

Canstar Resources Inc. announced results from its 2012 drill program on the Mary March Property near Buchans in central Newfoundland. Eight holes totaling 2,320 m were completed. One hole, in the Nancy April Zone, intersected 1.6 m of massive, fine- to medium-grained pyrite with low-grade base metals. Another hole, in the Mary March Zone, was drilled in an attempt to twin the historical Phelps Dodge Discovery Hole that intersected high-grade massive sulphides over 9.63 m with an average grade of 10.1% Zn, 1.68% Pb, 0.64% Cu, 122.1 g/t Ag and 4.2 g/t Au; the new hole wandered approximately 40 m from the historical intersection and intersected a lower grade interval of pyritic massive sulphide over 3.15 m averaging 2.24% Zn, 0.48% Pb, 0.04% Cu, 21.02 g/t Ag, 0.80 g/t Au. Fall drilling was undertaken to follow up on previous results. The Mary March property is held *via* a 50/50% joint venture between **Canstar Resources Inc.** and **Xstrata Zinc Canada** where Canstar is the operator.

Prominex Resource Corp. completed soil sampling and prospecting on its Reid Lot 50 (Lake Bond) zinc – copper property in central Newfoundland. The purpose of the soil geochemical survey is to assess induced polarization anomalies from previous work and outline possible coincident anomalous zones in preparation for further drilling programs. The

company is planning a follow-up exploration program comprising 18 line km of Horizontal Loop EM surveys and 2,000 m of drilling based on the 2013 results.

Rambler Metals and Mining plc completed 3,659 m of underground diamond drilling on 1807 zone at Ming Mine located near Baie Verte. This drilling was successful in expanding the known mineralization 210 m down plunge and 161 m up plunge. It is hoped that this newly identified mineralization can be converted to reserves to extend the life of the mine.

In addition, Rambler has completed significant diamond drilling on the 1806 gold zone, also located at the Ming Mine. Highlights of this drilling include intersections grading 227.15 g/t gold, 2.37% copper and 60.17 g/t silver over 4.5 m and 8.05 g/t gold, 1.63% copper and 59.38 g/t silver over 11.43 m.

Rare-Earth Elements (REEs)



Cerium oxide

In 2009, sharp price increases for some rare-earth elements (REE) prompted staking and re-evaluation of a number of historic REE prospects in the Province, particularly in Labrador. Renewed exploration led to discovery of several new REE occurrences, particularly in the Grenville Province of southern Labrador. REE mineralization is documented in a variety of rock types, but is most commonly hosted in Proterozoic volcanic and intrusive rocks of alkaline affinity, as well as in pegmatite and felsic gneisses.

Search Minerals Inc. released encouraging results from 2012 drilling at the Pesky Hill HREE prospect in the Port Hope Simpson REE District, southeastern Labrador. The drill program was designed to test surface HREE-Zr-Y-Nb vein-hosted mineralization and consisted of 38 vertical holes totalling 1213 m. HREE mineralization was intersected in 18 holes. Highlights include 0.66% Y, 1.04% Zr, 1.02% Nb, 0.12% Dy, 59.8% HREE+Y (out of Total REE+Y) over 2.56 m and 0.70% Y, 1.27% Zr, 0.96% Nb, 0.13% Dy, 71.1% HREE+Y over 2.25 m.

Search announced 13 new REE prospects elsewhere in the district, all of which are hosted by the 64-km-long Fox Harbour volcanic belt. The new prospects exhibit mineralization similar to that at the company's flagship Foxtrot Project within the same belt. Highlights from channel sampling include 276 ppm Dy, 1,316 ppm Y, and 1,520 ppm Nd over 2.48m and 267 ppm Dy, 1,023 ppm Y and 1,460 ppm Nd over 3.14 m.

Antimony, Tungsten, Vanadium, Uranium, Fluorspar



*Stibnite ore, Beaver Brook Antimony Mine
China Minmetals*

Continued interest in specialty metals and minerals such as antimony, tungsten, vanadium and fluorspar, should lead to additional exploration and development in 2014.

Canada Fluorspar Inc. completed drilling on the Director, Grebes Nest, and Hares Ears veins on its St. Lawrence Property in southern Newfoundland. Twenty-five holes were drilled on the Director vein, 42 on the Grebes Nest, and 7 on the Hares Ears for a total of 14,450 m (the

Grebes Nest vein has since been renamed "AGS" vein by the company). Assay highlights for the Director vein include 91.3% CaF₂ over 2.42 m, 49.3% CaF₂ over 10.03 m, and 35.3% CaF₂ over 12.25 m. Assay results for the Grebes Nest vein include 71.39% CaF₂ over 17.01 m, 55.99% CaF₂ over 8.75 m, and 43.52% CaF₂ over 14.84 m. Assay highlights from the Hares Ears vein include 43.05% CaF₂ over 2.88 m.

In addition to drilling, 7 trenches were excavated on the interpreted surface trace of the Grebes Nest vein for a total of 593 m of trenching, with three of the trenches exposing the vein. Assay results for trench samples of the Grebes Nest vein indicate fluorspar mineralization ranging from 59.26% CaF₂ to 84.39% CaF₂ over widths ranging from 2.6 m to 6.0 m, with some high-grade intervals of 98.76% CaF₂ and 97.09% CaF₂ over 1.0 m.

The Company also announced a new NI 43-101 compliant mineral resource estimate for the Director vein and "AGS" vein deposits of 2.1 million tonnes of indicated resources at an average grade of 51.0% CaF₂ and 8.5 million tonnes of inferred resources at an average grade of 42.2% CaF₂. The 2.1 million tonnes of indicated resources are part of the Director vein deposit, whereas the 8.5 million tonnes of inferred resources are distributed between the Director vein and "AGS" vein deposits at 1.4 and 7.1 million tonnes, respectively.

Newfoundland Fluorspar Exploration Ltd. completed soil sampling on its Fogo and Sage Pond fluorspar projects located in northeastern and southern Newfoundland, respectively. Values of 770 and 390 ppm F were obtained for the Fogo project and values of 300 ppm to 840 ppm F were obtained for the Sage Pond project.

Red Moon Potash Inc. drilled two holes on its Captain Cook salt – potash deposit in the Bay St. George basin of western Newfoundland. Assay results show significant widths of high-grade salt. The holes extend the salt – potash basin over a width of approximately 1.5 km in a north – south orientation, with each hole intersecting the basin near its depositional margins where potash development is less mature than in a 2002 drillhole located between them. The company anticipates that 6 – 8 holes will be required to test the potash potential of the area.

Triple Nine Resources Ltd. announced mapping and prospecting over known magnetic anomalies on its Four Corners property discovered high-grade mineralization with up to 57.66% Fe₂O₃ (T), 13.49% TiO₂, and 0.322% V₂O₅.

The company also announced the discovery of zone of platinum-group metals and gold on the property. Best results are 0.24 g/t Pd, 0.18 g/t Pt and 0.13 g/t Au from a grab sample from a 1.5-km-long mineralized zone.



*High grade Fe-Ti-V, Four Corners Project
Triple Nine Resources*

Nickel-Copper-PGE

Altius Minerals Corp. entered into a joint-venture agreement with Anglo American with respect to its Natashquan nickel – copper – cobalt – platinum – palladium project in southern Labrador. The company announced that plans were in progress to commence a multifaceted field program in July.

Benton Resources Inc. staked a large land position in southern Labrador, naming it the Mealy copper – nickel – platinum – palladium project. The company subsequently optioned the property to **Platinum Group Metals Ltd.** to eventually form a joint venture.

Major Transactions

Anaconda Mining Inc. consolidated the Pine Cove Mining District near Baie Verte, by entering into agreements with **1512513 Alberta Ltd.** to acquire a 100% interest in the Deer Cove and Stog'er Tight gold projects. The deposits are located adjacent to Anaconda's operating Pine Cove gold mine and the company is optimistic that it can take the historical work done on these projects and transform them into the next mineable gold deposits on the Baie Verte Peninsula.

Alderon Iron Ore Corp. announced that **Hebei Iron & Steel Group Co. Ltd.** completed its initial strategic investment in Alderon by contributing \$119.9 million for a total investment of \$182.2 million. In exchange Hebei will receive a 25% interest in the Kami Project and will purchase 60% of the first 8 million tonnes of iron-ore concentrate produced annually. Hebei will also assist Alderon in obtaining debt financing for the Kami project and in securing additional off-take partners for iron-ore concentrate.

Altius Minerals Corporation and **Virginia Mines** announced the formation of a strategic exploration alliance to explore for various types of mineral deposits in western Labrador and northeastern Quebec. This alliance will see Altius and Virginia share their experience and geological databases, co-fund exploration programs and jointly seek partners for any projects that are created as a result of the alliance.

Benton Resources Inc. entered into an option agreement with Tenacity Gold Company Ltd. to acquire a 100% interest in the 04, 41, Isle Aux Mort and Big Pond gold deposits in the Cape Ray area. Collectively these deposits host a historic (non 43-101 compliant) resource of 241,700 ounces gold, with additional silver and base metals.

Coastal Gold Corp. (formerly Castillian Resources Corp.) and **Ridgemont Iron Ore Corp.** entered into a Plan of Arrangement that saw Ridgemont become a wholly owned subsidiary of Coastal Gold. The focus of the combined companies is advancing the Hope Brook gold project.

Canadian Zinc Corporation and **Messina Minerals Inc.** entered into a plan of arrangement that saw Canadian Zinc acquire all outstanding shares of Messina. This transaction resulted in Canadian Zinc consolidating a large land package in central Newfoundland that contains several VMS deposits and numerous untested exploration targets.

Labec Century Iron Ore Inc. announced that it has acquired **Champion Iron Mines'** interest in the Attikimagen Lake Project. The Attikimagen Lake Project contains the Joyce Lake DSO deposit, which has had a positive PEA completed and is advancing to the feasibility study stage. Labec is a 60/40 joint venture between **Century Iron Mines Corp.** and **WISCO Attikimagen**, respectively.

Rambler Metals & Mining plc announced that it has acquired a 50% interest in the Little Deer Project from **Cornerstone Capital Resources Inc.** The Little Deer Project consists of the Little Deer Copper Deposit and past-producing Whalesback Mine. Rambler intends to conduct additional diamond drilling to further advance engineering studies on the project. **Thundermin Resources Inc.** holds the other 50% interest in the project.

Labrador Iron Mines Ltd. and **Tata Steel Minerals Canada Limited** entered into a strategic alliance that will see the companies co-operate with each other on various aspects of their respective operations. As part of this alliance, the companies have formed a joint venture for the exploration and development of LIM's Howse Deposit in the Menihkek area. Tata will acquire a 51% interest in the deposit from LIM for \$30 million and will be the operator. Tata may earn a further 19% interest in the joint venture by contributing an additional \$23.5 million to the joint venture.

Marathon Gold Corp. announced that it entered into a subscription agreement with **Rambler Metals & Mining Canada.** This agreement will see Rambler purchase \$500,000 of Marathon shares, as well as granting Rambler the option to purchase up to an additional \$1.5 million in shares at its discretion.

Sokoman Iron Corp (formerly Golden Dory Resources) announced that it had acquired the **Metals Creek Resources** 30% interest in the Iron Horse Project in Western Labrador. This

increases Sokoman's interest in the project to 100%, while Metals Creek retains a royalty on the property.

Minco plc announced that it completed a plan of arrangement that saw it acquire **Buchans Minerals Corporation.** This transaction resulted in Minco gaining control of the Lundberg deposit in central Newfoundland. Minco intends to advance the Lundberg deposit to the pre-feasibility stage. Minco also acquired a 75% interest in the Bobby's Pond deposit from **Mountain Lake Minerals Inc.**

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Notes