

EXPLORATION & DEVELOPMENT HIGHLIGHTS 2014

Department of Natural Resources, Mines Branch



NEWFOUNDLAND AND LABRADOR

EXPLORATION AND DEVELOPMENT HIGHLIGHTS 2014

OVERVIEW

The minerals industry in Newfoundland and Labrador continued to advance in 2014, with new production and processing developments and significant progress on a number of established exploration projects. As in previous years, iron ore continues to dominate the mining sector and gold the exploration sector.

Exploration spending in the Province is forecast to decrease to about \$84 million in 2014. 12,864 claims were staked in 2014, on par with 2013 but still 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 \$1.9 million for the 2014/15 fiscal year for cost-shared funding of approved projects. This program also supports prospectors through direct grants, mentoring, and training courses.

The Department maintained delivery of its geoscience program (\$1.4 million operating budget). Key initiatives designed to encourage mineral exploration included uranium and iron ore studies and lake sediment geochemical surveys in Labrador, and till geochemical surveys, bedrock mapping, and gold and base metal metallogenic studies in Newfoundland.

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 geological, geochemical and geophysical data, with a continuing focus on building the provincial bedrock geology database. The Geoscience Atlas was re-launched in 2014 based on a new platform with new tools and layers.

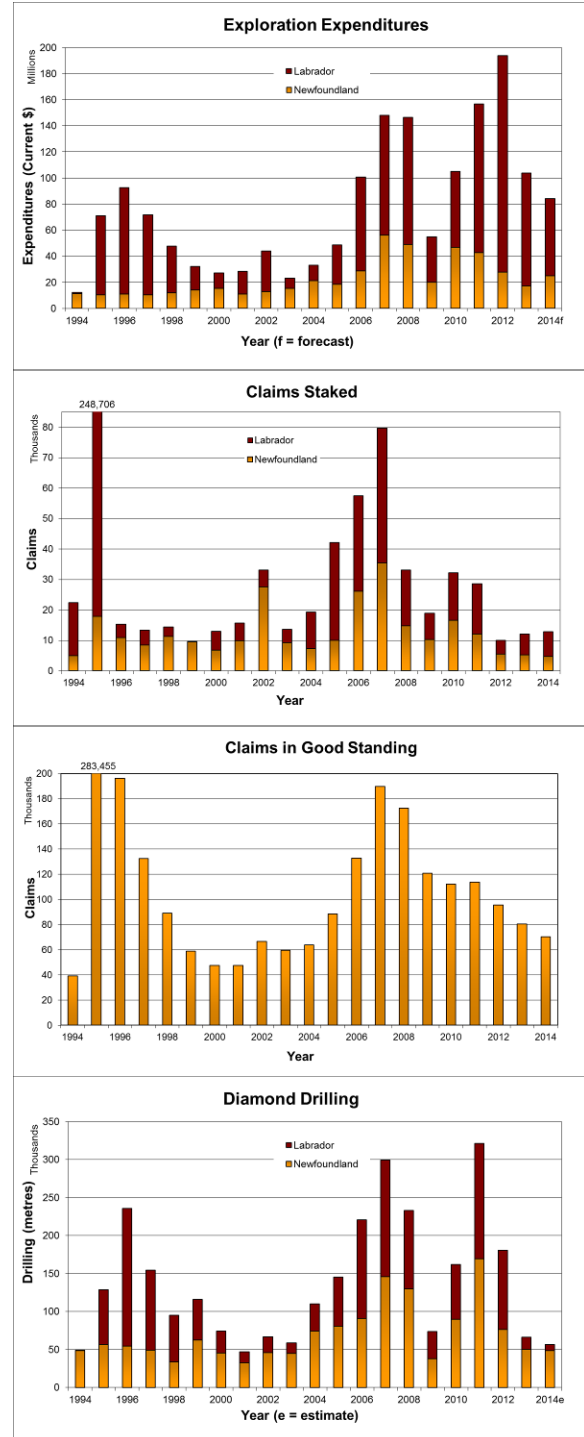
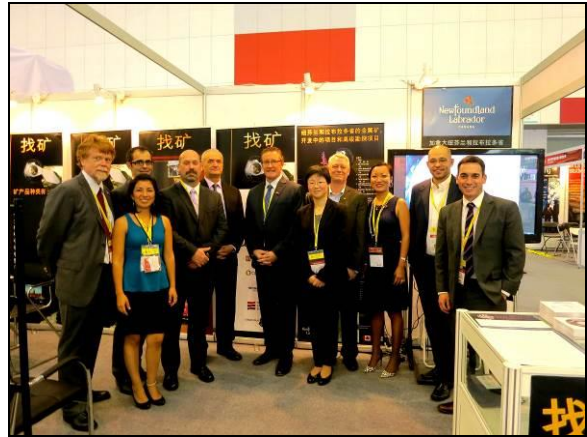


Figure 1. Exploration statistics, 1994 – 2014.

A new legislative development in 2014 gives mineral licence holders the possibility of extending the term of a mineral licence to a maximum of 30 years (previously the maximum was 20).

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 and 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

OUTLOOK

The 2015 outlook for all stages of the minerals sector in the Province is mixed. Prices for some of the key commodities produced or explored for have dropped, however forecast demand generally remains healthy. Exploration activity is expected to continue to be low to moderate relative to recent years as a result of financing difficulties due to market conditions.

Prices for gold and copper have dropped but remain strong. Prices for specialty commodities such as antimony and fluorspar have continued to drop. Uranium exploration could increase if uranium prices continue to rebound.

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/explorationactivity/exp_overview.html or contact [Stephen Hinchey](#), geologist responsible for monitoring the exploration industry.

NOTE TO READER

This summary has been prepared on the basis of information available at the time of writing. The Department of Natural Resources, Mineral Lands Division makes no warranty of any kind with respect to the content and accepts no liability, either incidental, consequential, financial or otherwise, arising from the use of this document. Users should read the full disclaimer on the Department's website at www.gov.nl.ca/disclaimer.htm

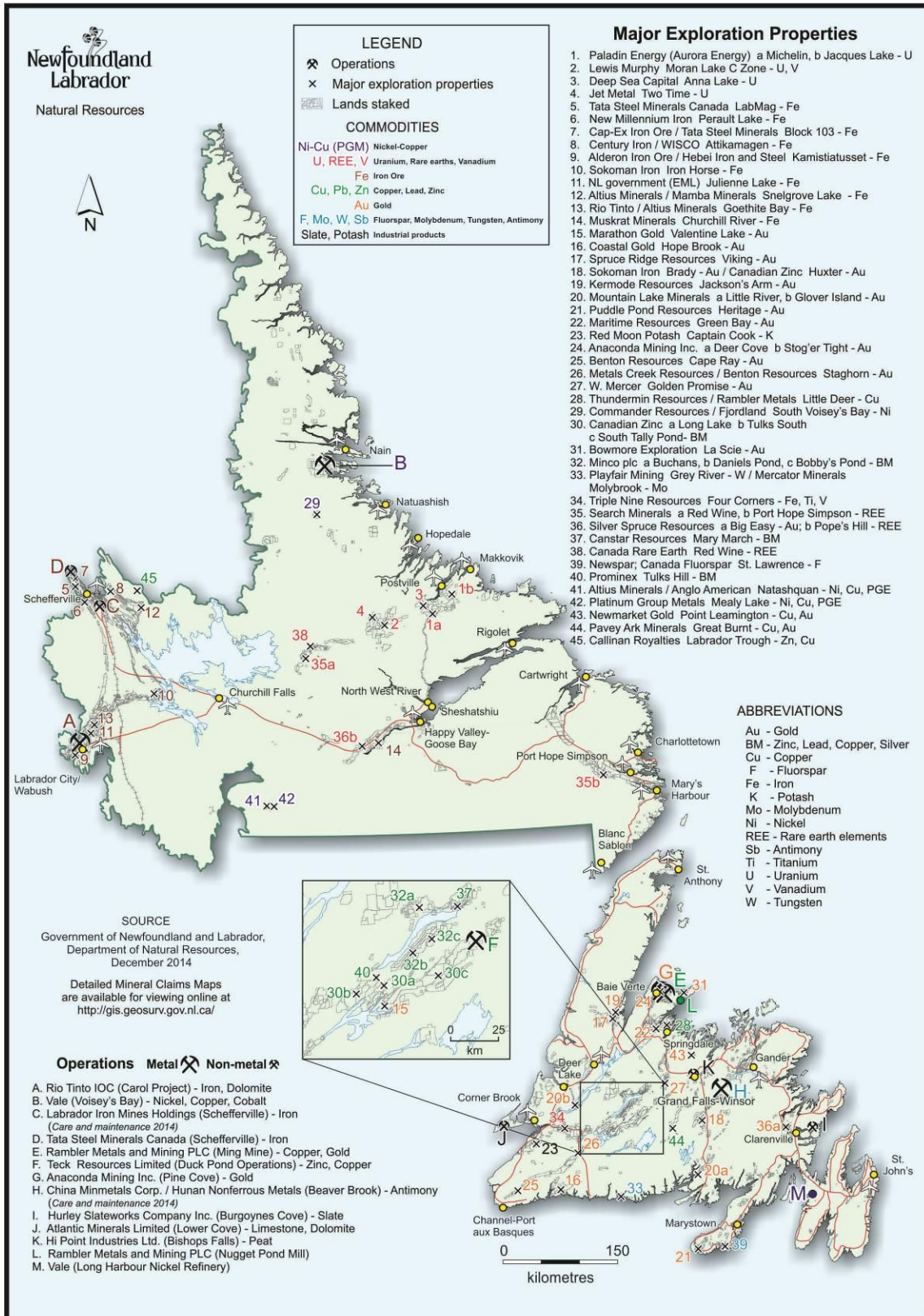


Figure 2. Mining operations and major exploration properties, 2014.

NEW MINING AND PROCESSING DEVELOPMENTS

The Julienne Lake Alliance, formed by **Altius Minerals Corp.** with two vertically integrated Chinese iron ore and steel producing companies, was selected by the Government of Newfoundland and Labrador to enter into exclusive final stage negotiations for the award of mineral rights held by the Province over the Julienne Lake iron ore deposit, western Labrador. Work carried out by the Government in recent years was designed to provide a NI 43-101 compliant mineral resource estimate, in conjunction with offering the project to the private sector as a development opportunity. In 2012, the Government reported Measured and Indicated resources of 867 Mt at 33.7% iron and Inferred resources of 299 Mt at 34.1% iron.

For fiscal 2014 (the year ended May 31, 2014), **Anaconda Mining Inc.** sold 14,577 ounces of gold produced from its Pine Cove gold mine, north-central Newfoundland. The mill processed approximately 305,000 tonnes of ore, nearly 17,000 more tonnes than in the previous fiscal year. For the six months ended November 30, 2014, the company sold 7,364 ounces of gold. The Pine Cove mill established a record average throughput of 1,101 tonnes per operating day, 18% higher than the run rate for the previous 12 months. The Pine Cove mine achieved commercial production in September 2010.



Pine Cove mine, Anaconda Mining Inc.

New Millennium Iron Corp. announced the start of rail haulage on **Genesee & Wyoming's** newly built KéRail spur line that services the DSO project owned and operated by **Tata Steel**

Minerals Canada Ltd. (TSMC), a joint venture with **Tata Steel Ltd.** TSMC plans to use the Port of Sept-Îles' new deep water dock when completed.



Processing plant dome interior, Timmins site, DSO project, Tata Steel Minerals Canada.

For the fiscal year ended July 31, 2014, **Rambler Metals & Mining plc** milled 215,496 dry metric tonnes of ore from its Ming copper-gold mine, north-central Newfoundland, producing 25,647 tonnes of copper concentrate containing 7,472 tonnes of copper metal, 6,921 ounces of gold and 52,539 ounces of silver. The average feed grade during this period was 3.68% copper, 1.59 g/t gold and 10.65 g/t silver with mill recoveries of 96.4%, 67.1% and 78.1% for copper, gold and silver respectively. The company first declared commercial production at the Ming Mine in November 2012.

Rambler continued to investigate ways to optimize the capital and operating costs associated with mining and milling its Lower Footwall zone (18.2 million tonnes grading 1.43% copper). Rambler has developed an onsite Dense Media Separation (DMS) demonstration plant at its Nugget Pond mill designed to physically separate dense, narrow copper-rich stringer sulphides from lighter-weight unmineralized chlorite schist host rock. Bench scale and pilot testing have indicated the DMS process could increase the copper grade of feed from the Lower Footwall zone by removing 30 to 40% of the lighter waste host rock with copper recoveries averaging 95%. Mini-pilot testing using run-of-mine material from the Lower Footwall zone grading 1.39% copper returned a pre-concentrate grade of 2.27% copper. The project was developed with the financial assistance of the **Research and Development Corporation of Newfoundland and Labrador.**

In February 2014, **Cliffs Natural Resources Inc.** notified the Province of its intent to idle its

mining and processing operations at the Scully iron ore mine, western Labrador. Formal notification of closure was received in October 2014.

EXPLORATION HIGHLIGHTS

Iron Ore

Alderon Iron Ore Corp.'s Kami iron ore project, western Labrador, was released from the provincial and federal environmental assessment processes. The company signed an impacts and benefits agreement with the Innu Nation, a benefits agreement with the Province of Newfoundland and Labrador, municipal agreements with Labrador City and Wabush, and a power purchase agreement with **Newfoundland and Labrador Hydro**. The company has obtained mining and surface leases covering the entire footprint of the mine and related infrastructure and has completed the required engineering work to commence construction. Alderon continues to work on arranging project financing.

Cap-Ex Iron Ore Ltd. signed an agreement with **Tata Steel Minerals Canada Ltd.** (TSMC) whereby Cap-Ex would assist TSMC in obtaining surface rights for a roadway through Cap-Ex's Block 103 DSO property to connect adjoining TSMC properties and TSMC would conduct an exploration program on Block 103 to be completed by September 30, 2015. The exploration program has since begun with a detailed ground gravity and magnetometer survey.

Century Iron Mines Corp. announced additional results from its 56 hole, 2,942 m fall 2013 drill program at the Joyce Lake DSO project, western Labrador. Highlights include 69 m at 65.42% total iron, 31.7 m at 63.6% total iron, 15.0 m at 66.12% total iron, and 13.8 m 65.1%. Thicknesses cited are core lengths.

Century announced an updated NI 43-101 compliant mineral resource estimate at the Joyce Lake DSO project, consisting of 24.3 million Measured and Indicated tonnes at an average grade of 58.55% and 0.84 million Inferred tonnes at a cut-off grade of 50%. The update represents a 143% increase in Measured

and Indicated resources. The 2013 drilling program expanded and increased the Measured category of resources substantially. The mineralization remains open to the south. Century subsequently announced the start of a Bankable Feasibility Study expected to be completed during the first quarter of the calendar year 2015. Hydrogeological and geotechnical fieldwork in support of the Bankable Feasibility Study and towards an Environmental Impact Statement was completed before the end of the 2014 field season.

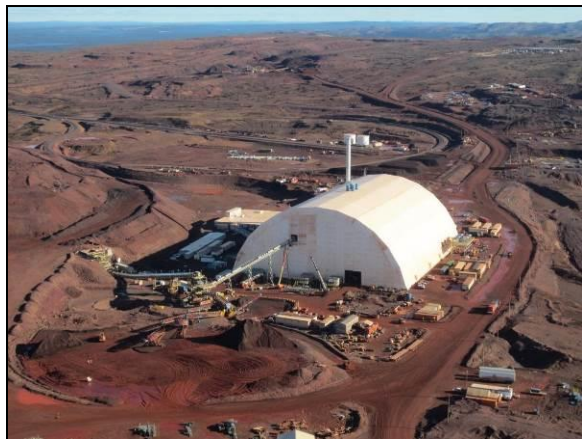


Drill core of Joyce Lake ore, Century Iron Mines Corp.

Century carried out drilling on its Schefferville West property, western Labrador, consisting of 628.2 m over 7 holes. The drilling targeted the Red Dragon prospect, located near the Redmond mine, with 6 holes intersecting ore-type mineralization. Highlights include 10.7 m at 65.06% iron. Thickness cited is core length.

Labrador Iron Mines Holdings Ltd. resumed infill drilling on its Howse DSO deposit, western Labrador, held in joint venture with **TSMC**, and located adjacent to TSMC's Timmins Area mines and processing plant. Drilling was carried out to define a NI 43-101 compliant resource and to collect metallurgical, geotechnical, hydrogeological, and hydrology information in support of a Preliminary Economic Assessment. The drill program began in late 2013 and comprised six diamond and 13 reverse circulation holes. 17 holes returned ore-type intersections with consistent results over the entire area drilled. Highlights include 84.1 m grading 65.9% iron and 79.5 m grading 64.52% iron. The Howse deposit has a historical resource estimate (41-101 non-compliant) of 28

million tonnes at a grade of 58% iron. The project has been registered for provincial and federal environmental assessment.



Processing plant dome at Timmins site, DSO project, Tata Steel Minerals Canada Ltd.

New Millennium Iron Corp. announced the results of its 2012 drill program on the DSO project, western Labrador, by **Tata Steel Minerals Canada Ltd.** (TSMC), a joint venture between New Millennium and **Tata Steel Ltd.** The main part of the drill program consisted of 1387.3 m over 28 exploration and definition holes and covered the Kivivic 1C, Kivivic 2 and Kivivic 5 deposits, and resulted in a 23.45% increase in the Indicated resource estimate compared to the most recent resource estimate, published in 2012. The new estimate consists of approximately 98.9 million tonnes of Measured and Indicated resources at an average grade of 59.3% iron on a dry basis plus an additional 6.7 million tonnes of Inferred resources at 56.7% iron. Another part of the drill program consisted of 216.4 m over 7 holes targeting a gravity anomaly identified by airborne and ground gravity surveys carried out between 2010 and 2012, and located approximately 300 m northwest of the Timmins DSO plant site. The assay results indicate that the iron formation is leached and enriched with potential for a DSO deposit.

New Millennium announced the results of the Taconite Project Feasibility Study, jointly undertaken by Tata Steel Ltd. and New Millennium, covering the LabMag deposit, western Labrador, and the KéMag deposit located nearby in Quebec. The study demonstrates that each of the deposits has the potential to become a significant new source of

high-quality pellets for the global steel industry. Each deposit scenario is based on primary processing consisting of mining and concentrating at the mine site, a slurry transportation system ("Ferroaduct") to the secondary processing consisting of a pellet plant and product storage, and transport to the terminal. Products will be shipped through a multi-user deep-water dock. LabMag and KéMag both feature taconite ore similar to that currently being mined in the Mesabi Iron Range in Minnesota. The Mesabi taconites have been a mainstay for the US steel industry since the early 1950s. The processing is based on well-proven and established flowsheet designs employed by the current producers.

Gold

Anaconda Mining Inc. carried out condemnation drilling north of its operating Pine Cove mine as part of a possible waste dump expansion, consisting of 600 m over 4 holes. One hole unexpectedly intersected the possible down-dip extension of the Pine Cove deposit. Out of several intervals of Pine Cove style alteration, the best interval assayed 5.54 m grading 3.06 g/t gold, including 1.97 m grading 5.75 g/t gold. An additional hole drilled in the down-dip area intersected multiple zones of mineralization. Thicknesses cited are core lengths.

Anaconda began an additional drill program on its Pine Cove deposit, to consist of 2,000 m over 10 holes and having two primary goals. The first is to increase near-surface mineral resources at the Pine Cove mine near the current ultimate pit design, specifically focusing on the Western Extension area discovered in 2013 and the Pine Cove Pond area on the southern side of the pit, which hosts known mineralization not included in the initial mineral reserves. The second goal is to identify the limits of the northern, down-dip, extension of the deposit, where the company would like to determine the potential for future expansion of the mine and whether the area immediately north of the Pine Cove pit can be used for waste rock storage, providing a shorter haul and lower mining costs than the present waste rock storage.

Anaconda carried out drilling on its Stog'er Tight gold deposit, located approximately 3 km east of the Pine Cove mill along the Pine Cove mine road. The program consisted of 2,265 m over 31 holes and was designed to infill known shallow mineralization, intersect down-dip mineralization, and to verify historical drilling programs by twinning existing drill holes in anticipation of publishing an NI 43-101 compliant resource. Highlights include 3.5 m grading 18.60 grams g/t gold and 7 m grading 6.77 g/t gold. Thicknesses cited are core lengths. The Stog'er Tight deposit has been mined intermittently by previous parties.

Anaconda began an anticipated 2,000 m drill program on its Deer Cove gold property, located approximately 8 km northwest of the Pine Cove mill, following a positive review of historic geological data. The program is designed for infill drilling and testing down-dip below the level of historic drilling. Among the historic data, the company reported assay results from 20 holes drilled by previous property holders from 1986 to 1988 and 2010. Highlights from the assays include 5.0 m grading 22.74 g/t gold and 3.6 m grading 26.12 g/t gold. Thicknesses cited are core lengths. The property is accessible by a 7.2 km access road and has been explored underground via a 507 m long adit.

Anaconda announced the discovery of a new zone of gold mineralization, referred to as the Argyle zone, located approximately 5 km from the Pine Cove mill. Highlights of channel samples from four trenches within the Argyle zone include 16 m grading 3.75 g/t gold including 4 m grading 8.27 g/t, and 3.5 m grading 1.49 g/t gold.



2014 drill core, Cape Ray property, Benton Resources Inc.

Benton Resources Inc. announced further results of metallurgical testwork on a 150 kg sample from the 51 deposit on the Cape Ray gold property, southwestern Newfoundland. The company has completed a gravity-only test using a series of Falcon concentrators and has thus eliminated the need for a dense media separation plant. Results from the test suggest a total gold recovery at 88.3% with approximately 50% to 55% of the gold reporting to a high-grade gold-silver concentrate and the remainder of the gold reporting to a lead-silver-gold concentrate. Work is ongoing to optimize lead and silver recoveries.

Benton carried out drilling on the Cape Ray gold property consisting of 3,051.6 m over 17 holes. Most of the drill holes tested for new gold mineralization outside the known resources near the PW zone located southwest of the 51, 04, and 41 deposits and northeast of the Windowglass Hill deposit. Highlights include 7.01 g/t gold and 16.7 g/t silver over 3.5 m within a larger envelope of 2.42 g/t gold and 10.4 g/t silver over 12.1 m, and, from another hole 180 m along strike to the west, 5.03 g/t gold and 14.8 g/t silver over 1.6 m and 4.9 g/t gold and 3.6 g/t silver over 1.5 m within a larger mineralized envelope grading 0.56 g/t gold and 1.9 g/t silver over 50.3 m. The company believes that the PW zone could represent the next new resource

within the Cape Ray gold project and may increase the current historically outlined gold resources. Thicknesses reported are core lengths.

In addition, two holes confirmed the continuity of gold mineralization between the 04 and 41 deposits indicating the potential to merge the two deposits into one and increase the overall resource. The two holes intersected multiple mineralized horizons with highlights including 6.89 g/t gold and 60.5 g/t silver over 1.1 m.

Lastly, two holes totaling 212 m were drilled into the 04 deposit for metallurgical testing. One hole graded 13.4 g/t gold, 22.0 g/t silver, 0.82% lead, 0.20% copper and 0.98% zinc over 13.0 m and was drilled shallowly across the deposit. The other hole was drilled down-dip on the same section and intersected 15.2 g/t gold, 13.3 g/t silver, 1.0% lead, 0.2% copper and 0.77% zinc over 18.0 m. Thicknesses reported are core lengths.

Bowmore Exploration Ltd. carried out drilling on the La Scie gold property, Baie Verte Peninsula. Two holes totaling 216 m targeted the Jonah gold zone. Highlights include 0.68 g/t gold over 28.8 m. The Jonah zone is one of three anomalous gold zones identified by Bowmore in 2013 through regional rock sampling. Mineralization consists of disseminated pyrite-gold in sericite shist and felsic tuff that are also cut by auriferous quartz veins. The company intends to continue drilling the Jonah zone and drill test the other two zones.

Coastal Gold Corp. announced an updated high-grade underground 43-101 compliant mineral resource estimate for its Hope Brook gold project, southern Newfoundland. The updated estimate consists of 5,500,000 Indicated tonnes grading 4.77 g/t gold containing 844,000 ounces gold in and 836,000 Inferred tonnes at 4.11 g/t gold containing 110,000 ounces gold, defined using a 3.0 g/t gold cutoff. Coastal had announced prior that after a detailed review of engineering options, the company will focus on potential development of an underground, higher-grade mineral resource for the project. The updated resource is in proximity to an existing ramp that extends to a depth of 350 metres below surface which could allow ready access for the potential development. The high-grade underground

resource estimate is within the resource estimate announced previously in 2014.

Intensive, multi-phased exploration involving prospecting, trenching, and drilling continued on **Marathon Gold Corp.**'s Valentine Lake gold project, central Newfoundland, which covers a 23 km long, highly prospective gold-bearing mineralized corridor focused along the Valentine Lake thrust fault. Mineralization consists of gold-bearing quartz-tourmaline-pyrite veins. The project currently hosts two recognized deposits, the Leprechaun and Victory, with NI 43-101 compliant resource estimates which together total 816,000 ounces gold at 2.24 g/t (Measured & Indicated) and 149,000 ounces gold at 2.64 g/t (Inferred). Thicknesses reported below for Marathon are true thicknesses.



Sprite Zone trenching, Valentine Lake project, Marathon Gold Corp.

Marathon announced positive results of metallurgical testing carried out by **Thibault & Associates Inc.** using a 100 kg blended composite sample of drill core representing the Leprechaun gold deposit. The results of bench scale tests have indicated that direct sulphide-gold flotation followed by treatment of the concentrate by conventional cyanide leaching, carbon-in-pulp and gold electrowinning will provide an overall gold processing recovery in the range of 92.8% to 95.0%. The metallurgical testwork was financially supported by the **Research and Development Corporation of Newfoundland and Labrador.**

Marathon carried out drilling on its Victory gold deposit, located 13 km along strike northeast of the Leprechaun gold deposit, consisting of 1,120 m. Highlights include near-surface intercepts of 6.75 m grading 3.44 g/t gold including 1.13 m grading 19.16 g/t gold.

Marathon announced the discovery of “high-grade” mineralization 400 m north of the current Leprechaun deposit resource boundary and overlying a magnetic low interpreted as a splay off the main Valentine Lake thrust fault. The newly discovered mineralization was exposed by trenching over a 700 m strike length and designated the Rainbow zone. Channel sampling intersected wide intervals of mineralization including 19.3 m grading 6.19 g/t gold.

Mineralization was newly exposed in the Sprite zone, located 1.5 km northeast along strike of the Leprechaun gold deposit, by trenching in an area overlying a magnetic low interpreted as a splay off the main Valentine Lake thrust fault. Channel sampling, carried out over an 1,100 m strike length, intersected wide intervals of mineralization including 16.0 m grading 1.80 g/t gold including 2.0 m grading 9.13 g/t gold, and 5.0 m grading 5.29 g/t gold including 1.0 m grading 24.69 g/t gold.

Marathon carried out two phases of drilling on the Sprite zone consisting of 8,134 m over at least 52 holes. Highlights from holes drilled to expand the strike length of the mineralized zone towards the northeast include 14.25 m grading 3.05 g/t gold including 1.90 m grading 10.26 g/t gold. Other highlights include 11.4 m grading 4.14 g/t gold including 0.95 m grading 27.83 g/t gold, and 35.0 m grading 1.94 g/t gold. The company intends that future drilling in the Sprite zone will be focused on infill and step-out drilling towards the northeast as they work on expanding the strike length of mineralization underneath bogy overburden. The Sprite zone is exposed over an 1,100 m strike length, ranges in width from 40 to 190 m, and is open along strike and down-dip.

Marathon discovered a new zone of mineralization 7 km northeast along strike from the Leprechaun deposit and 5 km southwest along strike from the Victory deposit. Highlights from channel sampling of Marathon zone trenches include 16.5 m grading 5.79 g/t gold including 1.5 m grading 23.17 g/t gold. Subsequent drilling was carried out on the Marathon zone, consisting of 4,133 m over 25 holes. Highlights include 40.8 m grading 2.01 g/t gold and 2.4 m grading 14.51 g/t gold. The Marathon zone remains open along strike and to depth.



Marathon zone mineralization, Valentine Lake project, Marathon Gold Corp.

Metals Creek Resources Corp. discovered a high-grade gold-bearing, granitic boulder train and corresponding soil anomaly along the Cape Ray / Victoria Lake Fault zone on its Staghorn property, southwestern Newfoundland. Assay results ranged up to 32 g/t gold. The regional fault zone hosts a number of gold deposits including those of Marathon Gold’s Valentine Lake property, located 32 km to the northeast of the auriferous boulders and those of Benton’s Cape Ray property to the southwest. The Staghorn property covers a 29 km strike length of the gold trend and previous work had outlined a number of gold showings in the central and southwestern part of the property. This latest discovery is located in the northeast part of the property, in an area of little previous work and opens up a new prospective area for further exploration.



Sample of high-grade boulder, Staghorn property, Metals Creek Resources Corp.

Newmarket Gold Inc. carried out drilling on its Point Leamington gold-zinc-silver-copper-lead massive sulphide deposit, north-central Newfoundland, consisting of 259 m over two holes. Each drill hole intersected an average of approximately 40 m of massive sulphides. Highlights include 13.38 m grading 2.5 g/t gold, 2.44% zinc and 0.90% copper and 10.57 m grading 1.0 g/t gold, 4.60% zinc and 0.39% copper. The drill samples will be used to create a composite for metallurgical testing to study the potential for copper, zinc and precious metal recovery by flotation.

Puddle Pond Resources Inc. announced additional assay results from its 2013 drill program on the Heritage gold-silver project, southern Newfoundland. Five of the eight holes drilled have intersected the mineralized Eagle zone along a 500 m strike length with highlights for gold up to 34.89 g/t and silver up to 574 g/t. An induced polarization survey was carried out to test responses over the Eagle zone and to also test the responses over other mineralized prospects throughout the property. The survey successfully outlined five zones of anomalous chargeability, one of which correlates with the known mineralization in the Eagle zone, and several of which appear to represent highly attractive drill targets. Mineralization occurs within an epithermal system estimated to underlie an area 4.5 km by 2 km.

Silver Spruce Resources Inc. carried out a drill program on its Big Easy gold-silver property, eastern Newfoundland, consisting of 1391.4 m over seven holes and with the intention to test the epithermal system at depth, below 250 m vertical. Two previous drill programs, in 2011 and 2012, located significant gold-silver mineralization and associated alteration over a 1 km strike length but did not test the mineralization to depth.



Drilling on the Big Easy property, Silver Spruce Resources Inc.

Spruce Ridge Resources Ltd. carried out drilling on its Kramer gold property, western Newfoundland, consisting of 2051.8 m over 14 holes. The highlight of the program was a high-grade gold-bearing vein which assayed 25.4 g/t gold over 0.50 m. Several drill holes encountered wide sections of alteration and low-grade mineralization, the widest being 13.0 m averaging 0.168 g/t gold associated with a vein carrying galena and free gold, distinguishing it from the more extensive lower grade material which carries only pyrite. Similar veins with galena as well as chalcopyrite are present at the Thor zone, which has a 43-101 compliant mineral resource of 98,000 ounces Indicated grading 0.95 g/t gold plus 45,000 ounces Inferred at 0.66 g/t gold, as well as at the Whisky Jack and original Kramer discoveries. The Kramer property is contiguous with the Thor-Viking gold property that Spruce Ridge acquired from Northern Abitibi Mining Corp. in 2013. With the latest drill results, gold mineralization on the Kramer-Thor-Viking trend has now been found over a length of 4.3 km, and is open in both directions. The exploration work to date continues to outline a system of intrusion related/hosted quartz stockwork gold mineralization. Thickness cited is core length.

Base Metals (Zinc, Lead, Copper)

Canadian Zinc Corp. carried out extensive drilling on its South Tally Pond, Long Lake, and Tulks South VMS projects in central Newfoundland, each of which has a NI 43-101

compliant resource estimate. Thicknesses cited below for Canadian Zinc drilling are core lengths.

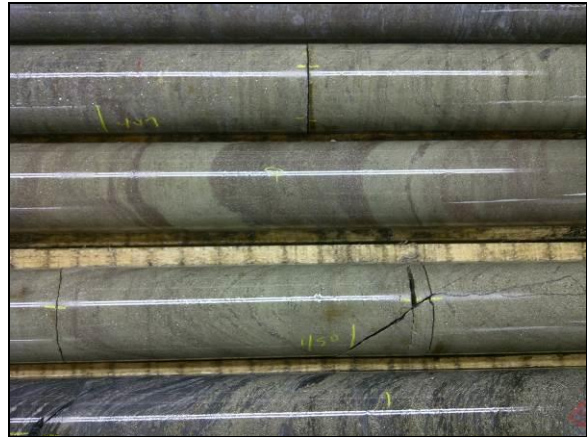
Canadian Zinc carried out two phases of drilling on the Northwest zone within its South Tally Pond copper-lead-zinc-silver-gold project, central Newfoundland. The drilling consisted of a combined 5,093 m over 12 holes and two hole extensions. The Northwest zone is located 250 m northwest of the drill-defined Lemarchant deposit. Highlights include intersections of mineralized massive barite and 6.1 m grading 8.50% zinc, 4.41% lead, 1.06% copper, 34.0 g/t silver and 0.55 g/t gold. The mineralized horizon remains open to the north and east.



Drilling on the South Tally Pond project, Canadian Zinc Corp.

The Lemarchant deposit has a 2012 NI 43-101 compliant resource estimate of 1.24 million Indicated tonnes grading 5.38% zinc, 0.58% copper, 1.19% lead, 1.01 g/t gold and 59.17 g/t silver and 1.34 million Inferred tonnes grading 3.70% zinc, 0.41% copper, 0.86% lead, 1.00 g/t gold and 50.41 g/t silver.

Canadian Zinc carried out drilling on the Tulks East prospect located within its Tulks South zinc-lead-copper-silver-gold project, central Newfoundland, consisting of 1,377 m over four holes. Highlights include 18.95 m grading 3.42% zinc, 0.56% lead, 0.35% copper, 30.4 g/t silver and 0.46 g/t gold, including 5.70 m grading 6.96% zinc, 1.56% lead, 0.50% copper, 69.90 g/t silver and 0.73 g/t gold.



Massive sulphides, Tulks East prospect, Tulks South project, Canadian Zinc Corp.

Also within the Tulks South project, Canadian Zinc carried out drilling on the Boomerang-Domino deposits and Baxter Pond alteration zone, consisting of 4,060 m over 13 holes. Highlights include 2.37 m grading 13.23% zinc, 8.24% lead, 0.70% copper, 135.8 g/t silver and 0.67 g/t gold in the down-dip extension of the Hurricane prospect located near the Boomerang and Domino lenses.

Canadian Zinc carried out drilling on its Long Lake zinc-copper-lead-silver-gold project, central Newfoundland, consisting of 2,712 m over 11 holes. The program successfully extended the massive sulphide mineralization of the Long Lake Main zone deposit both up- and down-dip and along strike. Highlights include 1.20 m grading 25.50% zinc, 5.90% lead, 1.29% copper, 189.7 g/t silver and 1.87 g/t gold, and 2.25 m grading 10.81% zinc, 1.99% lead, 1.59% copper, 86.95 g/t silver and 1.39 g/t gold.

Canstar Resources Inc. announced the results of its late-2013 drill program on the Mary March gold and base metal project, central Newfoundland. Two holes were drilled in the Mary March zone and confirmed the continuity of the gold-bearing, zinc-rich volcanogenic massive sulphide mineralization and extended the zone to depth. Highlights include 11.6 m grading 3.6% zinc, 0.1% copper, 0.8% lead, 25 g/t silver, and 1.5 g/t gold, including 3.6 m grading 7.5% zinc, 0.04% copper, 1.37% lead, 26.1 g/t silver, and 1.7 g/t gold, and, in the other hole, 5.0 m grading 4.82% zinc, 0.38% copper, 1.04% lead, 71.3 g/t silver, and 1.8 g/t gold, including 3.5 m grading 6.21% zinc, 0.13% copper, 1.42% lead, 82.8 g/t silver, and 1.9 g/t

gold. A follow up borehole electromagnetic survey indicated an off-hole anomaly down-dip and to the east of these intersections. One hole was drilled in the Nancy April zone, located 500 m southwest of the Mary March zone, and encountered a previously recognized mineralized stockwork zone. A follow-up induced polarization survey showed a chargeability anomaly coincident with the Nancy April stockwork mineralization.

Canstar carried out drilling to test the newly-identified geophysical targets, consisting of 1,724 m over five holes. Two holes drilled in the Mary March zone extended the mineralization 50 m to the northeast and at depth. Highlights include 11.5 m grading 1.2% zinc, 0.2% lead, 1.8 g/t silver, 0.2 g/t gold including an interval of 3.6 m grading 2.7% zinc, 0.1% copper, 2.4 g/t silver and 0.1 g/t gold. Three holes drilled in the Nancy April zone extended the mineralization 50 m to the southwest, confirming that the induced polarization survey was successful in identifying the mineralized horizon. Highlights include 5.33 m grading 1.2% copper, 0.2% zinc, 4.9 g/t silver, 0.4 g/t gold including 2.3 m grading 2.5% copper, 0.1% zinc, 8.6 g/t silver and 0.7 g/t, and, in the same hole, a deeper zone of stockwork mineralization yielding 93.7 m grading 1.0% zinc, 0.2% lead, and 2.9 g/t silver including 10.2 m grading 3.4% zinc, 0.1% copper, 7.1 g/t silver and 0.3 g/t gold.

Minco plc carried out drilling on its zinc-lead-copper VMS project at Buchans, central Newfoundland, consisting of 556 m over four holes. The four holes are located on the southern side of the planned open pit for the Lundberg resource, as defined in the positive Preliminary Economic Assessment completed in 2011, and were designed to test for the possible extensions of two massive sulphide horizons called Lucky Strike and Engine House that were mined prior to the Buchans mine closing in 1984. The drilling results confirm extensions to these horizons, with two of the holes intersecting high-grade mineralization at the relatively shallow Lucky Strike horizon and three of the holes intersecting the deeper Engine House horizon, situated 40 to 50 m below the Lucky Strike horizon. Highlights from the Lucky Strike horizon include 4.80 m grading 3.30% zinc, 0.22% copper, 1.43% lead and 118.7 g/t silver, including an intercept of 0.80 m grading 16.80% zinc, 0.75% copper, 7.40% lead, 518 g/t silver and 3.54 g/t gold. Highlights from the Engine

House horizon include 7.80 m grading 3.43% zinc, 1.85% copper, 1.30% lead, 22.9 g/t silver, including 1.45 m grading 17.00% zinc, 2.51% copper, 6.54% lead, 92.5 g/t silver.



Former Lucky Strike mine, Buchans.

Minco began an anticipated 2,200 m drill program on its Clementine West base metal sulphide project, located six km west of the former Buchans Mines, designed to test a large zone of stringer-stockwork mineralization to depths of 300 m or more.

Thundermin Resources Inc. carried out drilling on the Little Deer copper project, a joint venture with **Rambler Metals & Mining Canada Ltd.**, consisting of 3,800 m over four surface holes and two wedge holes. Three holes intersected the Little Deer Main zone. One hole also intersected two new copper zones higher in the hole, consisting of 2.0 m grading 3.8% copper and 2.6 m grading 2.1% copper, respectively. Other highlights from the drill program include 6.2 m grading 2.3% copper. The Little Deer copper project hosts the Little Deer and Whalesback copper deposits. A 2011 43-101 compliant resource estimate for Little Deer deposit consists of 1,911,000 Indicated tonnes at an average grade of 2.37% copper and additional 3,748,000 Inferred tonnes at an average grade of 2.13% copper. A 2012 43-101 compliant resource estimate for Whaleback consists of 797,000 Indicated tonnes grading 1.67% copper and 443,000 Inferred tonnes grading 1.57% copper.

Rambler Metals & Mining plc announced an updated NI43-101 resource estimate for the Ming copper-gold mine. The Mineral Reserve remains unchanged from the previous estimate

published early 2014, consisting of 56,719,272 pounds of copper, 101,404 ounces of gold and 459,788 ounces of silver in the Proven and Probable categories. The updated Mineral Resource is estimated to contain 962,970,430 pounds of copper, 257,702 ounces of gold and 1,790,949 ounces of silver in the Measured and Indicated categories. The update represents a 38% increase for in-situ copper metal content for the entire Ming copper-gold mine, largely driven by the mine's Lower Footwall zone that saw a 52% increase in contained copper metal, coinciding with a 5% increase in copper grade for that zone.

Uranium



Drilling on the Michelin uranium project, Aurora Energy Ltd.

Aurora Energy Ltd., a member of the **Paladin Energy Ltd.** group of companies, carried out winter infill drilling at the Michelin uranium deposit, central Labrador, consisting of 3,871 m over 13 holes from seven drill platforms. The drill program contributed to an updated mineral resource estimate for the Michelin deposit of 84.1M lb U₃O₈ in the Measured and Indicated categories and 22.9M lb U₃O₈ in the Inferred category. The 2014 resource estimate represents a 25% increase in Measured and Indicated resource from the previous 2009 estimate of 67.1 M lb U₃O₈; specifically, 13.2M lb U₃O₈ of previously Inferred category material was converted into the Measured and Indicated categories and an additional 3.8M lb U₃O₈ added. The 2014 estimate of Measured and Indicated resource is comprised of an open pit portion of 33.9 M lb U₃O₈ and an underground portion of 50.2 lb U₃O₈. The 2014 resource estimate increased the open pit portion Measured and Indicated grades by 36% over the

2009 estimate to 938 ppm U₃O₈. The winter exploration program also included the collection of a > 3,300 kg bulk sample for metallurgical testing.

Aurora subsequently completed a summer exploration program on the Michelin project consisting of mapping, prospecting, geophysical surveys, geochemical sampling, and radon sampling. Aurora's exploration is primarily focused in two areas: 1) evaluation and testing of new prospects to expand uranium resources, and 2) expansion and testing of the Michelin deposit. Two drills remain at the Michelin camp in preparation for drilling in 2015.

Rare Earth Elements (REEs)

Search Minerals Inc. announced the development of a simplified metallurgical process tested on a bulk channel sample from its Foxtrot REE project, southeastern Labrador, to produce a high-grade REE product for refining. A simple metallurgical treatment of coarse-crushed Foxtrot ore has been demonstrated to give high overall extractions of rare earths (73.1 to 78.9% for La-Er). There is no longer any need for grinding, flotation, gravity or magnetic separation to treat the Foxtrot ore. This process is a significant improvement over the earlier metallurgical testing reported in 2012. Support for this development was received from the **Research & Development Corporation of Newfoundland and Labrador** and from the **Atlantic Canada Opportunities Agency**. Testing was completed by **SGS Canada Inc.**



Stripping and trenching, Foxtrot REE project, Search Minerals Inc.

Search subsequently extracted a 40 tonne bulk sample from the Foxtrot deposit for the purpose

of a pilot plant and additional testing of the proprietary metallurgical process. The bulk sample was extracted from the high-grade core of the deposit, representing the highest-grade zone of the deposit; the zone to be mined in the underground scenario and most of the material to be mined in the open pit scenario discussed in the most recent (2013) Preliminary Economic Assessment for the Foxtrot project.

Nickel-Copper-PGE

Benton Resources Inc. announced the completion by its joint venture partner, **Platinum Group Metals Ltd.**, of a 2,950 km VTEM plus EM airborne survey in southwestern Labrador, 1,254 km of which covered Benton's Mealy Lake Cu-Ni-PGM property. Preliminary data suggests multiple strong and moderate EM conductors have been identified in numerous areas of the project. Subsequent field follow up to assess the preliminary conductive areas has identified pyrrhotite and chalcopyrite mineralization in limited gossanous exposures. Grab samples in two areas within the property have returned values from copper mineralization with one area assaying from trace to 1% copper. The Mealy Lake property is contiguous with **Altius Minerals Corp.**'s Natashquan Ni-Cu-PGE property which is subject to a joint venture agreement with **Anglo American**.

Salt-Potash

Red Moon Potash Inc. drilled two holes on its Captain Cook salt-potash project, western Newfoundland, to add tonnage to the deposit and further define potash distribution in the basin. One hole was drilled to a total depth of 536 m and encountered a gross interval of 345 m of salt (halite) containing a potash zone approximately 10 m in thickness. The potash zone consists of an intercalated mixture of mudstone, salt and potash. The results confirm Red Moon's interpretation that the drill location is situated on a salt swell, an area of thickened salt caused by salt movement. The other hole was drilled to a total depth of 632 m and encountered a gross interval of 225 m of salt (halite) containing three potash zones, each of

which appears to be less than one metre thick. The salt deposit is now proven by drilling to extend 2.5 km in a northeast-southwest direction and 1000 m east-west. Seismic data linking current drilling with previous drilling suggest a much larger resource in the area.

MAJOR TRANSACTIONS

Alderon Iron Ore Corp. announced an off-take agreement with **Glencore plc**, whereby Glencore will acquire all of actual annual production from the Kami iron ore project, western Labrador, which has not already been allocated to **Hebei Iron & Steel Group Co., Ltd.**

Benton Resources Inc. signed a Letter of Intent to Option / Joint Venture with **Metals Creek Resources Corp.** whereby Benton can earn up to a 70% interest in Metals Creek's Staghorn gold property, southwestern Newfoundland. Benton will be the operator during the earn-in period. In addition to other conditions, Benton must incur work expenditures of \$500,000 over three years in order to earn 60% and another \$500,000 by the fifth anniversary in order to earn the extra 10%.

Benton Resources Inc. completed acquisition of the Cape Ray gold property by acquiring 100% interest in the 04, 41, Isles Aux Morts and Big Pond Gold deposits from **Tenacity Gold Mining Ltd.** These are in addition to the Windowglass Hill and 51 Deposit that Benton acquired in 2013 from **Cornerstone Capital Resources Inc.**, and together, these six deposits make up the Cape Ray gold property and are subject to various net smelter return royalties from the underlying agreements.

Benton has entered into a Letter of Intent with **Nordmin Engineering Ltd.** to advance towards production four of the six gold deposits of the Cape Ray gold property. The 04, 41, 51 and Windowglass Hill deposits are included in the agreement while the Isle Aux Morts and Big Pond deposits will be retained 100% by Benton. Pursuant to the Letter of Intent, Benton and Nordmin will form a joint venture in which Nordmin will have the right to earn up to a 50% interest in the project through a series of expenditures and services to be provided. Benton will lead the exploration effort which will

be funded by Nordmin up to the completion of the Feasibility Study. This includes any infill drilling to allow the deposits to be brought up to National Instrument 43-101 status.

Champion Iron Mines Ltd. merged with **Mamba Minerals Ltd.** to form **Champion Iron Ltd.** The new company holds the Snelgrove Lake iron ore property in western Labrador and the Powderhorn Lake and Gullbridge base metals properties in central Newfoundland.

Commander Resources Ltd. announced that it has signed a Memorandum of Understanding granting **Fjordland Exploration Inc.** an Option to earn into Commander's South Voisey's Bay nickel property, north-central Labrador. The Option Agreement provides Fjordland the right to earn up to a 70% interest in Commander's wholly owned South Voisey's Bay property by funding \$5.5 million in exploration expenditures, and issuing a total of 2,250,000 shares to Commander. Commander will be the initial operator of the project. Fjordland has the option to become operator upon assuming a majority interest.

Labec Century Iron Ore Inc., a joint venture company owned by **Century Iron Mines Corp.** (60%) and **WISCO Canada Attikamagen Resources Development and Investment Ltd.** (40%), completed its acquisition of the Attikamagen Lake project, which includes the Joyce Lake DSO project, from **Champion Iron Mines Ltd.**

Maritime Resources Corp. entered into a Letter of Intent with **Rambler Metals & Mining plc** which includes evaluating the economic potential of re-opening the past-producing Hammerdown gold mine located within Maritime's Green Bay property, north-central Newfoundland. Following a positive economic analysis, should both companies agree to proceed with the development of the project, they will negotiate management services and toll milling agreements that would see Rambler manage the process of re-opening the old Hammerdown mine. If viable, this arrangement could allow Hammerdown ore to be toll treated in the gold hydromet CIP circuit at the Nugget Pond milling facility up to 500 metric tonnes per day. Throughout the process the Green Bay Property will remain 100% owned by Maritime.

Metals Creek Resources Inc. entered an option agreement with 1191557 Ontario Corp. (now **White Metal Resources Corp.**), whereby White Metal Resources may purchase a 100% interest in the 210 claim units comprising the Senecal Lake Cu-Ni-PGE property, southwestern Labrador. The Senecal Lake property is contiguous with Benton's Mealy Lake Cu-Ni-PGM property.

Rambler Metals & Mining plc continued its investment in **Marathon Gold Corp.** under the basis of a subscription agreement announced late 2013. The non-brokered private placement has generated cumulative proceeds of \$875,000, with Rambler holding rights to invest an additional \$1,125,000 in three quarterly tranches of \$375,000, expiring on April 30, 2015. Post-subscription, Rambler holds a total of 2,734,258 shares in Marathon, representing 3.98% of the issued and outstanding shares. The financing is intended to support Marathon's ongoing Valentine Lake gold project.

Following completion of **Labrador Iron Mines Holdings Ltd.**'s \$5.0 million exploration program on the Howse DSO property, western Labrador, **Tata Steel Minerals Canada Ltd.** (TSMC) shall contribute the next \$23.5 million to the Joint Venture and thereby increase its participating interest in the Howse property to 70%, following which Labrador Iron Mines will hold the remaining 30%.

Key Contacts

Department of Natural Resources

Executive Contacts

David Liverman - Assistant Deputy Minister 709-729-2768 dliverman@gov.nl.ca
Walter Parsons - Executive Director - Iron Ore 709-729-6760 walterparsons@gov.nl.ca

Mineral Lands

Jim Hinchey - Director 709-729-6425 jimhinchey@gov.nl.ca
Justin Lake - Mineral Claims Recorder 709-729-6437 justinwlake@gov.nl.ca
Gerald Kennedy - Quarry Materials Management 709-729-6447 geraldkennedy@gov.nl.ca
Stephen Hinchey - Exploration Monitoring 709-729-5748 stephenhinchey@gov.nl.ca
Trina Adams - Assessment Work Reports 709-729-0573 trinaadams@gov.nl.ca
Heather Rafuse - Exploration Approvals 709-729-6408 heatherrafuse@gov.nl.ca

Mineral Development

Alex Smith - Director 709-729-6379 asmith@gov.nl.ca

Geological Survey

Martin Batterson - Director 709-729-3419 martinbatterson@gov.nl.ca

Regional Geology

Alana Hinchey - Section Head 709-729-7725 alanahinchey@gov.nl.ca

Mineral Deposits

Andy Kerr - Section Head 709-729-2164 andykerr@gov.nl.ca

Geochemistry, Geophysics & Terrain Sciences

Stephen Amor - Section Head 709-729-1161 stephenamor@gov.nl.ca
Gerald Kilfoil - Geophysics 709-729-2169 gerrykilfoil@gov.nl.ca

Geoscience Data

Larry Nolan - Section Head 709-729-2168 larrynolan@gov.nl.ca

Geoscience Publications & Information

Sean O'Brien - Section Head 709-729-2775 seanobrien@gov.nl.ca

Industry Support and Services

John Clarke - Mineral Incentive Program 709-729-5851 jclarke@gov.nl.ca
Phil Saunders - Mineral Exploration Consultant 709-729-6193 philsaunders@gov.nl.ca
Glen Penney - Core Storage 709-729-5833 glenpenney@gov.nl.ca
Dale O'Reilly - Prospectors Assistance Program 855-729-6448 daleoreilly@gov.nl.ca
Cindy Saunders - Geofiles 709-729-6280 cindysaunders@gov.nl.ca

Matty Mitchell Prospectors Resource Room

Pat O'Neill - Geologist 709-729-2120 matty@gov.nl.ca