EXPLORATION & DEVELOPMENT HIGHLIGHTS 2015











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NEWFOUNDLAND AND LABRADOR EXPLORATION AND DEVELOPMENT HIGHLIGHTS 2015

OVERVIEW

The minerals industry in Newfoundland and Labrador continued to advance in 2015 despite the ongoing slump in mining industry investment and commodity prices, with new production 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 \$49.6 million in 2015, the lowest level since 2005. 6,264 claims were staked in 2015, a significant decrease from 2014 and 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 \$1.6 million for the 2015/16 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 in the Geological Survey (\$1.3 million operating budget). Key initiatives designed to encourage mineral exploration included bedrock geological mapping, and uranium and iron ore studies in Labrador, and till geochemical surveys, bedrock mapping, gold and base metal metallogenic studies, and a regional geophysical survey 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 webbased 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, 1995 – 2015.

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 fastgrowing 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



Mineral Exploration Roundup 2015, Vancouver

OUTLOOK

The 2016 outlook for all stages of the minerals sector in the Province is mixed and highly dependent on the specific project. Commodity prices in general saw significant declines in 2015, including iron ore, copper, zinc, and antimony. Prices for gold declined but remain strong relative to historic levels. Prices for iron ore declined drastically to levels that have caused new and upcoming minina developments to be delayed and exploration to nearly cease. Uranium prices remain more or less stable, however, significantly lower than their 2007 peak.

Exploration activity is expected to continue to be low to moderate relative to recent years as a result of low commodity prices and difficulty obtaining financing.

For further information on the minerals sector in Newfoundland and Labrador, please visit the Department of Natural Resources website at <u>http://www.nr.gov.nl.ca/nr/mines/exploration/explorati</u> <u>onactivity/exp_overview.html</u> or contact <u>Stephen</u> <u>Hinchey</u>, geologist responsible for monitoring the exploration industry.

NOTE TO READER

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Figure 2. Mining operations and major exploration properties, 2015.

NEW MINING AND PROCESSING DEVELOPMENTS

For the fiscal year ended May 31, 2015, Anaconda Mining Inc. sold 15,821 ounces of gold produced from its Pine Cove gold mine, near the town of Baie Verte, north-central Newfoundland, representing a 9% increase over fiscal 2014, largely due to increased mill availability, throughput and recovery. Mill availability increased from 88% to 92% corresponding to an additional 14 operating days during fiscal 2015. The mill processed approximately 343,178 tonnes of ore, a 13% increase compared to fiscal 2014. In fiscal 2016, the focus on mill operations will be increasing recovery and improving operating consistency through a mill automation project. The Pine Cove mine achieved commercial production in September 2010.



Pine Cove gold mine, Anaconda Mining Inc.

Anaconda received permission from the Government of Newfoundland and Labrador to mine the Stog'er Tight gold deposit, located approximately 3.5 km east of the Pine Cove operation along the Pine Cove mine road. The Stog'er Tight deposit has a 2015 NI 43-101 compliant resource estimate of 204,100 Indicated tonnes grading 3.59 g/t gold and 252,000 Inferred tonnes grading 3.27 g/t gold. Anaconda anticipates test-mining the Stog'er Tight deposit during the fiscal quarter ending February 2016 to evaluate and optimize blasting grade control techniques, determine and mine/mill scheduling and assess ore processing at the Pine Cove mill. Initial floatation testing carried out by RPC Science & Engineering has concluded that the Stog'er Tight material could be blended with the current Pine Cove pit material without having to make any significant modifications to the Pine Cove mill circuit. The Pine Cove mine and Stog'er Tight deposit are part of the company's Point Rousse project, the plan for which is to discover and develop more resources within the project area and double annual gold production from the current rate of approximately 15,000 ounces to 30,000 ounces.

Canada Fluorspar (NL) Inc.'s AGS Fluorspar project, near the town of St. Lawrence, southern Newfoundland, was released from the provincial Environmental Assessment process. The AGS Fluorspar project is planned to consist of surface and underground mine development of the AGS vein (formerly known as the Grebe's Nest vein), including four open pits, and a mill facility with a production capacity of up to 200,000 tonnes per year of fluorspar concentrate. The purpose of the project is to produce acid-grade fluorspar. The operation is scheduled to start with open pit mining in late followed by underground mining in 2020. Since 2012, Canada Fluorspar has been carrying out extensive exploration for fluorspar in the St. Lawrence area including by trenching and drilling.



Drillcore of AGS fluorspar vein, Canada Fluorspar (NL) Inc.

The Iron Ore Company of Canada's (IOC) Wabush 3 project, near Labrador City, western Labrador, was released from the provincial Environmental Assessment process. The Wabush 3 project is planned to be a conventional open pit mine that will provide ore to IOC's existing concentrator plant and a new source of ore to extend the operating life of its Carol project which has been operating continuously since the 1960s. Production from Wabush 3 will allow flexibility in providing iron ore feed to the existing concentrator plant to achieve and maintain production of iron concentrate at the mill's rated capacity. IOC

subsequently communicated that development of the Wabush 3 project would be delayed due to weak outlook in the commodities market. Development had been expected to begin in 2016 and mining in 2018.



Luce pit, Carol project, Iron Ore Company of Canada

Rambler Metals and Mining plc completed a pre-feasibility engineering study and economic assessment aimed at integrating the Lower Footwall Zone mineral resource into the life of mine plan for its Ming copper-gold mine, near of Baie Verte, north-central town the Newfoundland. The study was successful in defining a staged, low capital strategy for the optimisation of all existing infrastructure allowing the operation to run at full capacity of 1,250 metric tonnes per day (mtpd) by 2018. The study is based on an optimization of the current highgrade massive sulphide operation at 650 mtpd by blending increasing amounts of Lower Footwall Zone ore with the massive sulphides as production ramps up to 1,250 mtpd. Importantly, the strategy would extend the life of Ming mine from 6 to 21 years. Additional opportunities exist to improve the low risk, low capital base case scenario, including: integration of ore preconcentration at the mine site; additional resource growth through ongoing exploration in both the higher grade massive sulphide and Lower Footwall Zone; and, further utilization of the Nugget Pond base and precious metals milling facility with new feed sources from other regional copper and gold plays.



Ming copper-gold mine portal, Rambler Metals and Mining plc.

Tata Steel Minerals Canada Ltd. commenced trial production on its DSO (direct shipping ore) project, western Labrador, with approximately 1.7 million tonnes of crushed and screened ore shipped in the 2015 operating season through the third quarter that ended September 30. In early January 2016, Tata Steel Minerals Canada announced, through its shareholder **New Millennium Iron Corp.**, that it is temporarily scaling down winter operations including stabilization activities of the plant at its DSO project. The action is in response to presently challenging conditions in the steel and iron ore markets and is expected to be reviewed on an ongoing basis.

Vale approved construction of an underground mine at its Voisey's Bay mine, northern Labrador, that will extend the life of the mine by about 15 years. Construction is due to begin in 2015 and will take five years to complete, which is at about the same time the surface mine is expected to reach the end of its lifespan. The mine will have a capacity of approximately 40,000 tonnes of nickel per year, and is timed to ensure a continuity of supply for the new nickel processing plant in Long Harbour, southeastern Newfoundland. The underground mine will include the Reid Brook and Eastern Deeps deposits, which are near the current open pit mine.

EXPLORATION HIGHLIGHTS

Of the projects discussed below, the following received Junior Exploration Assistance funding in 2014-15: Canada Fluorspar Inc., Benton Resources Inc., Marathon Gold Corp., Puddle Pond Resources Inc., Silver Spruce Resources., Minco Plc (7980736 Canada Inc.), Century Iron Mines Corp., Commander Resources Ltd. and Red Moon Potash Inc. A complete list of JEA recipients can be found at: http://www.nr.gov.nl.ca/nr/mines/exploration/mip/CompanyProjectLocationAmount.pdf

Gold

Altius Resources Inc. conducted soil sampling. prospecting, and trenching at the Moosehead gold project, central Newfoundland. The trenching was successful in exposing a portion of the mineralized vein system intersected by historic drilling and was carried out to permit detailed geological mapping and structural interpretation of the auriferous veins, which do not outcrop anywhere on the property. The knowledge gained will allow for more effective targeting of the veins with future diamond drilling. Channel sampling of the exposed veins has returned values of up to 9.75 g/t gold over 0.15 m and 3.91 g/t gold over 0.40 m. Soil sampling has identified several new areas of anomalous gold-in-soil, including a linear zone approximately 450 m long that is located outside of the known mineralized area and remains untested with diamond drilling. Altius also carried out till sampling on the Moosehead property as part of a two-year indicator mineral study being done in partnership with the **Research & Development Corporation of** Newfoundland and Labrador.

Early in 2015 Anaconda Mining Inc. renamed the Pine Cove project to the Point Rousse project and announced its strategy to extend the life of the project to beyond 10 years by developing exploring for and additional resources within a land position covering the majority of the Ming's Bight peninsula, northcentral Newfoundland. The Point Rousse project consists of the Pine Cove mine, several past advanced prospects (Stog'er Tight, Deer Cove, and Goldenville), numerous gold prospects and showings, and three gold trends that total nearly 20 km of strike length all within about 8 km of the Pine Cove mill. The company plans to double production by developing more Pine Cove-like pits (e.g., Stog'er Tight) that provide bulk tonnage at roughly 2 g/t gold as well as high-grade feed sources (e.g., Deer Cove, Romeo and Juliet) that can be blended with the lower grade ore at a lower incremental cost while increasing the overall head grade. Mineralization at Pine Cove is characterized by carbonate-quartz-pyrite-albite alteration with gold associated with pyrite.



Trench, Moosehead gold project, Altius Resources Inc.

Anaconda announced an updated NI 43-101 compliant mineral resource estimate for the Point Rousse project, consisting of 1,499,500 Indicated tonnes containing 77,390 ounces gold at 1.61 g/t and 220,700 Inferred tonnes containing 11,260 ounces gold at 1.59 g/t for the Pine Cove deposit and 204,100 Indicated tonnes containing 23,540 ounces gold at 3.59 g/t and 252,000 Inferred tonnes containing 26,460 ounces gold at 3.27 g/t for the Stog'er Tight deposit. The Pine Cove resource estimate is inclusive of 858,855 tonnes containing 40,400 ounces gold at 1.46 g/t classified as Probable reserves.

Anaconda carried out trenching of the Stog'er Tight deposit. Channel sampling highlights from the main pit area, where the company expects to begin mining, include 12.83 g/t gold over 4.38 m including 26.50 g/t over 1.42 m and 14.80 g/t over 0.95 m. Channel sampling highlights from along strike include 17.76 g/t gold over 11 m and 11.02 g/t gold over 12 m. Trenching resulted in an increase of the known strike length of surface mineralization to 480 m from the previously known 300 m. Anaconda also carried out near-surface drilling at Stog'er Tight, consisting of 222 m over 8 holes designed to test the margins of the western portion of the main pit area. One hole intersected mineralization approximately 15 metres west of the previously known limits of the deposit, with an intercept of 2.78 g/t over 9.34 m including 5.15 g/t over 3.65 m. Additional nearsurface drilling is planned.

Anaconda carried out trenching and geological mapping at the Argyle zone discovered in 2014 and located in the same mineralized trend as the Pine Cove and Stog'er Tight deposits. The intent of the trenching was to determine if the two areas of mineralization discovered at Argyle and separated by approximately 200 m are part of a single mineralized system.

Anaconda carried out two phases of drilling at Pine Cove. The winter phase consisted of 1,938 m over 10 holes designed to increase total resources, outline near-surface mineralization, and test if mineralization continued to the northern most area coincident with the proposed waste rock storage area. Highlights from the down-dip extension of the Pine Cove deposit beyond the current pit design include 2.85 g/t gold over 11 m and 5.06 g/t gold over 7 m. Highlights from near-surface mineralization include 11.43 g/t gold over 0.9 m and 0.89 g/t gold over 10.7 m. Results have not yet been released for the fall phase of drilling which was planned to consist of 1,000 m focused on the southern margins of the mine with the goal of expanding near-surface mineral resources.

Benton Resources Inc. carried out an 11-hole drill program on the Staghorn gold project, south-central Newfoundland, which tested over a 3.2 km strike length soil geochemical and polarization induced geophysical targets identified earlier in 2015. As of year-end, results have been returned for four holes, three of which identified in bedrock the Ryan's Hammer trend, where grab samples from angular mineralized boulders and outcrop previously returned results up to 31 g/t gold. Highlights include 42.6 m grading 0.219 g/t gold and 71.2 m grading 0.184 g/t gold. Future drilling is planned to test the remaining targets, including the "Rich House" visible gold showing. The Staghorn project is under option from Metals Creek Resources Corp. Ryan's Hammer mineralization consists of foliated granite containing pyrite and arsenopyrite and was discovered in 2014 in

boulders. Earlier in 2015 Ryan's Hammer mineralization was discovered in outcrop in addition to other gold showings on the Staghorn project which covers a 25 km long mineralized trend located on the Cape Ray / Victoria Lake regional fault zone. Bottle roll leach testing of a composite sample from the Ryan's Hammer boulder train achieved 92.3% gold recovery.



Drill rig, Staghorn gold project, Benton Resources Inc.

Benton Resources Inc. announced initial NI 43-101 compliant resource estimates for the 04, 41, 51 and Windowglass Hill deposits on the Cape Ray gold project, southwestern Newfoundland. The resource estimates consist of: 700,000 Indicated tonnes containing 152,000 ounces gold at 6.68 g/t gold and 300,000 Inferred tonnes containing 40,000 ounces gold at 4.47 g/t gold for the 04 deposit; 200,000 Indicated tonnes containing 35,000 ounces gold at 5.07 g/t gold and 100,000 Inferred tonnes containing 10,000 ounces gold at 5.01 g/t gold for the 41 deposit; 600,000 Inferred tonnes containing 132,000 ounces gold at 7.12 g/t gold for the 51 1,100,000 Inferred tonnes deposit; and containing 66,000 ounces gold at 1.83 g/t gold for the Windowglass Hill deposit. The resource estimates were completed by Sibley Basin Group Geological Consulting Services Ltd... The Cape Ray gold project is subject to an option and joint venture agreement with Nordmin Engineering Ltd.

The 41 and 51 deposits were subsequently trenched and channel sampled, with the information to be incorporated into an upcoming Preliminary Economic Assessment (PEA) to be completed by Nordmin. Channel sample highlights include 3.5 g/t gold and 14.14 g/t

silver over 8.4 m for the 41 deposit and 11.27 g/t gold and 26.89 g/t silver over 6.8 m for the 51 deposit. The Cape Ray project is located on the Cape Ray / Victoria Lake regional fault zone.

Drilling and trenching continued on Marathon Gold Corp.'s Valentine Lake gold project, central Newfoundland, which covers a 23 km long, gold-bearing mineralized corridor along the Valentine Lake thrust fault. Mineralization consists of gold-bearing quartz-tourmaline-pyrite The project currently hosts four veins. recognized deposits (from south to north): Leprechaun, Sprite, Marathon, and Victory, with a combined NI 43-101 compliant updated resource estimate from early 2015 of 1,060,000 ounces gold at a grade of 2.20 g/t (Measured and Indicted) and 200,000 ounces gold at a grade of 2.83 g/t (Inferred). 87% of the Measured and Indicated resource is in the open pit resource category. The Marathon deposit, discovered in 2014, accounts for the majority of the 30% increase in the Measured and Indicated resources over the previous estimate in 2013.



Visible gold in quartz-tourmaline-pyrite vein, Valentine Lake project, Marathon Gold Corp.

Winter and summer drill programs were carried out on the Marathon deposit which at year-end 2014 had a known strike length of over 200 m. Drilling in 2015 increased the deposit's strike length to over 850 m and it remains open along strike to the southwest and northeast and at depth. Highlights from summer drilling include 4.76 g/t gold over 3.5 m and 3.62 g/t gold over 9.1 m (true thicknesses). The winter phase of drilling contributed to the updated resource estimate (cited above) and also defined a new South mineralized corridor located closer to the Valentine Lake thrust fault. Highlights from winter drilling include 2.85 g/t gold over 12.4 m and 1.03 g/t gold over 25.8 m from the Marathon deposit and 9.28 g/t gold over 2.6 m from the South mineralized corridor (true thicknesses). Several highly prospective extensions of the Marathon deposit remain untested along strike.

High-grade mineralization was discovered up to 500 m along strike to the northeast from the previously known extent of mineralization in the Sprite zone. Highlights from channel sampling include 11.65 g/t gold over 6 m and 2.26 g/t gold over 5.6 m. The newly discovered mineralization was drilled to shallow depths during summer 2015, with highlights including 3.82 g/t gold over 6.3 m and 3.74 g/t gold over 2.1 m (true thicknesses). The Sprite gold zone now has a strike length of over 1,600 m and consists of a number of parallel gold mineralized corridors that generally flank the margins of magnetic high areas. A 3.5 km gap between the new Sprite mineralization and the Marathon deposit is largely bog and overburden, however the airborne magnetic trends continue from Sprite to the Marathon deposit. This area is a high priority target for future exploration by the company.

Marathon exposed additional mineralization at the southwestern end of the Victory deposit resource pit outline. Channel sampling intervals include 3.34 g/t gold over 5 m and 1.83 g/t gold over 7 m.

As of fall 2015, Marathon is continuing ground magnetic and VLF surveys over the nearly 120 line-km of new grid cut along the 12 km strike length between the Sprite, Marathon and Victory deposit areas. Results of the geophysical surveys will be used to define the location of the Valentine Lake thrust fault and delineate new winter drilling targets along bog- and overburden- covered areas that lie directly along strike of the Sprite, Marathon and Victory deposits.

Puddle Pond Resources Inc. carried out drilling on the Heritage gold-silver project, southern Newfoundland, consisting of 3000 m over 25 holes designed to test the Eagle Zone including a section of high-grade mineralization. The Eagle Zone was discovered during drilling in 2013 and consists of stockwork quartz veining and intense silicification containing gold and silver mineralization. Mineralized intersections in the northernmost hole (e.g., 0.70 m grading 1.42 g/t gold and 270 g/t silver) and southernmost hole (e.g., 1.10 m grading 1.34 g/t gold) confirms that the Eagle Zone is open in both directions beyond the 1000 m length. The Eagle Zone has been drilled to a vertical depth of 160 m and remains open at depth. Highlights from the highgrade section include 10.60 m grading 3.44 g/t gold and 181.5 g/t silver including 2.60 m grading 7.34 g/t gold and 257.55 g/t silver. Drilling extended the known length of the highgrade section to at least 450 m from the 250 m outlined in 2013 drilling.



Mineralized drillcore, Heritage gold-silver project, Puddle Pond Resources Inc.

Silver Spruce Resources Inc. announced further results from its 2014 drill program on the Big Easy gold project, eastern Newfoundland. Seven holes tested the previously undrilled central part of the mineralized zone. Results gave narrow, high- to bonanza-grade values in quartz-adularia veins and wider zones of anomalous gold and silver values associated with strongly altered, silicified zones cut by quartz-adularia veins. The Big Easy project was subsequently returned to prospector Alex Turpin.

Base Metals (Zinc, Lead, Copper)

Minco plc carried out drilling at Lucky Strike South on its Buchans copper-lead-zinc project, central Newfoundland, less than 250 m south of the former Lucky Strike mine. The drilling was undertaken to follow up favourable results from drilling in 2014 and tested several mineralized stratigraphic horizons to explore for new highgrade massive sulphide deposits to depths of 300 metres. Eight holes designed to test the deeper Ore Clast horizon intersected mineralized felsic volcanic breccia containing massive sulphide and sulphide-rich clasts. Minco subsequently expanded its program of relogging historic drillcore to assess the potential for new high-grade discoveries within the Ore Clast horizon, below depths of previous mining.

Minco re-logged 156 historic surface and underground drill holes (13,418 m) southwest of the former Lucky Strike mine, focusing on the small high-grade West Orebody deposit, with historically reported base metal grades similar to Lucky Strike. Minco is planning to drill 2,000 m in 2016 to further explore the West Orebody deposit and a 400 m section of the inferred mineralized trend.



Re-logging of historic drillcore at the Department of Natural Resources' Buchans Core Storage Facility, Buchans copper-lead-zinc project, Minco plc

Minco plc and Canadian Zinc Corp. announced that they have entered into a collaboration agreement to undertake a research program to complete physical and metallurgical bench-scale studies on seven volcanogenic massive sulphide deposits located in central Newfoundland. The total cost of the research project is estimated at \$735,000 with the Research & Development Corporation of Newfoundland and Labrador providing \$535,000 and Canadian Zinc and Minco subsidiary Buchans Minerals each providing \$100,000. The objective of the program is to determine the technical and economic viability of developing the companies' key deposits into producing operations that can economically mined, preconcentrated. be trucked and then milled simultaneously or sequentially through a central mill. Four of the deposits are held by Canadian Zinc (Lemarchant, Boomerang-Domino, Tulks East,

and Long Lake) and three of the deposits are held by Buchans Minerals (Bobby's Pond, Daniels Pond and Tulks Hill). The seven deposits have demonstrated resources of various sizes and quality and are located within trucking distance (30 to 90 km) of the recently closed Duck Pond copper-zinc mine.

Rambler Metals and Mining plc carried out underground diamond drilling at the Ming copper-gold mine, north-central Newfoundland. Drilling on the 1807 high-grade copper zone consisted of 4,544 m and successfully extended the zone down plunge and along strike. The 1807 Zone has produced the majority of tonnes mined since commercial production was declared in November 2012. Drilling on the Ming North Zone confirmed the continuation of the ore zone at depth, below the historically mined 2,300 foot level. Drilling on the 1806 and 1805 massive sulphide zones consisted of 1,457 m, with highlights including visible gold and grades up to 18.32 g/t gold, 1.14% copper and 41.61 g/t silver over 9.51 m (core length) including 37.63 g/t gold, 1.64% copper and 54.86 g/t silver over 3.82 m.



Underground drilling, Ming copper-gold mine, Rambler Metals and Mining plc

Iron Ore

Cap-Ex Iron Ore Ltd. announced the results of a 2014 ground gravity survey on the company's Block 103 DSO project, western Labrador, designed to target airborne anomalies with high gravity readings associated with a low magnetic background. The survey was conducted by **Tata Steel Minerals Canada Ltd.** as per a 2014 agreement with Cap-Ex. All of the selected airborne targets showed values that would be expected from DSO type large tonnage iron deposits. In addition, new gravity anomalies were identified that were not observed in the airborne survey.

Tata Steel Minerals Canada also carried out a drill program on the Block 103 project, the results of which are contained in a report posted on the Cap-Ex website.

Century Iron Mines Corp. (since renamed Global Commodities Century Corp.) announced in March that it had received the NI 41-101 compliant feasibility study for the Joyce Lake Direct Shipping Ore project, western Labrador. Total mineral reserves consist of 17.72 million tonnes at 59.71% iron, 11.62% silica, 0.55% alumina, and 0.76% manganese, with a strip ratio of 4.09. The feasibility study was completed by **BBA Inc.** The feasibility study assumes a product price of US\$95 per dry metric tonne for 62% iron fines CFR, China, a shipping cost of \$15 per wet metric tonne, and ore production of approximately 7 years. The Joyce Lake project is owned by Labec Century Iron Ore Inc., a joint venture with WISCO International Resources Development & Investment Limited. Century Iron Mines owns 60% of Labec Century.

Nickel-Copper-PGE

Commander Resources Ltd. and **Fjordland Exploration Inc.** announced the results of an electromagnetic survey completed in late-2014 on the South Voisey's Bay nickel-copper-cobalt project, northern Labrador. The UTEM EM survey covered 22.3 line-km and outlined several strong conductive sources in the Sandy nickel target area. A minimum of two 200-m deep drillholes are planned to test the Sandy conductors and possible depth extensions. Fjordland has an option to earn a 75% interest in the project currently owned by Commander.

Equitas Resources Corp. carried out a 1,678 m diamond drilling on its Garland nickel project, northern Labrador. Highlights include disseminated pyrrhotite-chalcopyrite-pyrite intersected over a 69 m interval from surface including 0.08% nickel and 0.10% copper over 4.6 m and 0.11% nickel and 0.14% copper over 1.5 m. Targets were identified earlier in the year

by a 645 line-km VTEM[™] (Versatile Time Domain Electromagnetic) airborne survey of north-south-oriented flight lines at 300 m line spacing, with a total of thirteen target areas of anomalous conductivity prospective for nickelcopper sulphide mineralization eventually identified. Most of the anomalous responses are at the very limit of, or significantly deeper than, detection limits of historic surveys. Anomalies were evaluated with Crone large loop PEM Electromagnetic) (Pulse surveys. Crone borehole PEM surveys were also carried out, with one 2015 drillhole producing a complex anomalous response that may indicate a good quality conductor nearby. The field camp and drill rig have been stored onsite in anticipation of start-up of operations in early 2016 when safe lake ice conditions are present. The Garland project is located 30 km southeast of the Voisey's Bay nickel mine and is underlain by the Nain Plutonic Suite within which the Voisey's Bay deposit is located.



Crone PEM survey, Garland nickel project, Equitas Resources Corp.

Rare Earth Elements (REEs)

Search Minerals Inc. announced results from 2014 channel sampling of the Deepwater Fox REE prospect located near the town of St. Lewis, southeastern Labrador. Highlights include 5.96 m containing 1433 ppm Y, 2156 ppm Nd, 48 ppm Tb and 286 ppm Dy. Highlights from 2015 channel sampling include 11.40 m containing 1168 ppm Y, 1732 ppm Nd, 43 ppm Tb and 253 ppm Dy. The Deepwater Fox prospect currently has a known strike length of approximately 380 m, comparable to that of the Foxtrot REE deposit located 12 km away and for which the company produced a 43-101 compliant resource estimate in 2012. The company plans to continue exploration at

Deepwater Fox in 2016 with a drill program. The Deepwater Fox prospect and Foxtrot deposit are, along with 22 other prospects and targets, located within the company's Port Hope Simpson REE project. The company's aim is to discover and outline REE resources that could be mined as shallow, low operating and capital cost open pits, feeding a scalable, centralized processing plant in southeastern Labrador.



Channel sample locations, Deepwater Fox REE prospect, Search Minerals Inc.

Search announced the discovery of three belts of REE mineralization in the Henley Harbour area, southeastern Labrador. Highlights from channel sampling include 3.55 m of 280 ppm Dy including 0.60 m of 506 ppm Dy. Mineralization is similar to that found 30 to 40 km to the north in the High REE Hills and Ocean View belts of the Port Hope Simpson REE project.

Search announced that it will receive research and development funding totaling \$1,250,000 Research and Development from the Corporation of Newfoundland and Labrador (\$750,000) and from the Atlantic Canada **Opportunities Agency** (\$500,000) to assist in the construction and operation of a pilot plant for the testing of Search's proprietary metallurgical process. To make up the total project cost the company will contribute an additional C\$650,000 in working capital. For a 14-day pilot operation, a 7-tonne sample will be provided from the 40-tonne bulk sample material extracted in 2014 from the high-grade core of the Foxtrot deposit. Search will engage the services of SGS Canada Inc. for the construction and operation of the pilot plant.

Earlier in 2015, Search received an independent engineering study from **SNC-Lavalin Australia Pty Ltd.** reporting the estimated construction and operating costs for a REE mineralization treatment facility in southeastern Labrador that would apply Search's proprietary process for treatment of REE mineralization from the Foxtrot deposit. The study was partially funded by a \$50,000 grant from the **Atlantic Canada Opportunities Agency.** The proprietary process is a direct leach on the crushed material, which thereby eliminates grinding, flotation, gravity and magnetic separation. The study will be used by Search in the preparation of an updated and revised preliminary economic assessment for Search's Foxtrot deposit.

Uranium

Aurora Energy Ltd., a member of the Paladin Energy Ltd. group of companies, carried out a soil-sampling survey over the Michelin and Rainbow uranium deposits and surrounding areas, central Labrador, with the aim to confirm that Michelin-style deposits can be identified through the existing cover sequence and to identify prospective areas adjacent to the existing deposits for follow-up exploration. The Michelin and Rainbow deposits are located within the uranium-mineralized Central Mineral Belt.

Aurora also conducted an IPower3D resistivity and induced polarisation survey over the Michelin and Rainbow deposits to assess the use of this technique to locate mineralization with no surface expression. Study of the results is ongoing and initial results suggest that the structures associated with the Michelin deposit are identifiable, though the mineralization may not be, whereas at Rainbow it appears that the mineralization may have been detected directly.

Aurora received from **Condor Consulting** the results of a study undertaken to improve the current regional framework for identifying prospective areas for exploration based on the association between known uranium deposits and the processed magnetic and radiometric signatures of the current, recognizable stratigraphic packages. It is expected that this information will be used as a primary input into the ongoing prospectivity analysis for the Central Mineral Belt region.

Paladin Energy Ltd. announced that it has received notification from the Canadian Government that its submission to be the majority owner of a uranium mine at the Michelin project was approved. Under the current Non-Resident Ownership Policy (NROP), nonresident mining companies can own 100% of an exploration project but, by the stage of first production, there must be a minimum level of Canadian resident ownership in individual uranium mining projects of 51%. The granting of an exemption from NROP allowing Paladin, which is based in Australia, to proceed eventually to production at the Michelin project without this restriction would permit Paladin to introduce a suitable minority joint venture partner at the appropriate time should this be desired.



Base camp near Michelin uranium deposit, Aurora Energy Ltd.

Salt-Potash

Red Moon Potash Inc. announced that its 2014 drill program on the Captain Cook project near Bay St. George, western Newfoundland, encountered significant widths of high-grade salt. Two holes confirmed that a seismic anomaly corresponded to a salt swell, with one hole encountering a gross interval of 347 m of salt and the other a gross interval of 231 m of salt. The company announced subsequently that it had initiated a NI 43-101 mineral resource assessment on the Captain Cook salt deposit. Additional sampling and analysis of the five Captain Cook drillholes (from 2002, 2013, 2014) found that 101 of the 142 new samples had NaCl concentrations exceeding 94%, confirming the overall tenor of mineralization as established by previous analyses. The potash zones in the two 2014 Captain Cook holes were dominated by mudstone and orange-red salt resulting in little preservation of potash, consistent with the geological model that potash is best developed and preserved down slope of salt swells. The best potash drilled in the Captain Cook area is situated off the salt swell.

Major Transactions

Anaconda Mining Inc. acquired the Corkscrew gold property from Seaside Realty Ltd., thereby giving Anaconda full control of the highly prospective Goldenville Trend, one of three distinct gold-mineralized trends within the company's Point Rousse project which includes the Pine Cove mine.

Benton Resources Inc. executed its final option and joint venture agreement with Nordmin Engineering Ltd. to advance four of the six gold deposits towards production at the Cape Ray gold project, southwestern Newfoundland. The 04, 41, 51 and Windowglass Hill deposits are included in the agreement whereas the Isle Aux Morts and Big Pond deposits will be retained 100% by Benton. Pursuant to the agreement, Nordmin will earn a 50% interest in the project through a series of expenditures and services to be provided. Benton will lead the exploration effort for the project which will be funded by Nordmin up to the completion of a feasibility study, and subsequently, Nordmin will provide the procurement, project and construction management for the project, including commissioning and start-up.

First Mining Finance Corp. acquired **Coastal Gold Mining Corp.**, owner of the Hope Brook gold project, southwestern Newfoundland. Under the arrangement, First Mining acquired all the outstanding common shares of Coastal on the basis of exchanging each share for 0.1625 common shares in First Mining. The transaction implies an overall equity value of \$11.0 million.

Quest Rare Minerals Ltd. purchased from Search Minerals Inc. its 50% in the Alterra-Strange Lake project, northern Labrador, for 1,500,000 common shares of Quest, bringing Quest's ownership of the project to 100%. The project area is contiguous with Quest's wholly owned Strange Lake project in Québec which includes the B-Zone REE deposit near Lac Brisson.

Search Minerals Inc. purchased from Great Western Minerals Group Ltd. its interest in the

Red Wine REE project, central Labrador, for a payment of \$20,000, bringing Search's ownership of the project to 100%. Exploration work in 2010 and 2011 by Search and Great Western Minerals on the Red Wine project included drilling and resulted in the discovery of nine REE prospects.

Spruce Ridge Resources Ltd. acquired the Great Burnt copper property, central Newfoundland, from Pavey Ark Minerals Inc. in exchange for \$390,000 plus 200,000 common shares and 300,000 warrants. The property contains the Great Burnt copper deposit, as well as the North Stringer Zone, South Pond copper deposit, and several other exploration targets along the 14 km length of favourable stratigraphy. The property contains a 2015 NI 43-101 compliant resource estimate of 441,100 Indicated tonnes at 2.50% copper (24.3 million lbs) and 829,300 Inferred tonnes at 2.11% copper (38.6 million lbs) at a 1.0% copper cutoff. The resource estimate was completed by P&E Mining Consultants Inc. Spruce Ridge intends to aggressively advance the project with the objective of working towards a possible production situation, subject to financing.

Tata Steel Minerals Canada Ltd. acquired the remaining interest in the Howse DSO project, western Labrador, for \$5.0 million from **Labrador Iron Mines Holdings Ltd.** pursuant to the provisions of its 2014 joint venture agreement. As part of the joint venture, Tata carried out drilling on the Howse DSO deposit in 2014.

Thundermin Resources Inc. has agreed to merge with Rambler Metals and Mining plc to become its subsidiary. In exchange, Rambler will issue 7,142,857 ordinary shares to Thundermin shareholders who will then hold approximately 4.7% of outstanding Rambler shares. The consolidated group will carry on the business of Rambler as a mining, exploration and development company. Rambler operates the Ming copper-gold mine near Baie Verte and, prior to the merger, was a joint owner with Thundermin (50% each) of the Little Deer and Whalesback copper deposits near Springdale. The merger is anticipated to facilitate the potential development of the Little Deer and Whalesback deposits through the shared use of the mining and processing infrastructure currently in place.

Key Contacts

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