

# Diamonds



## Investment Opportunities NORTHWEST TERRITORIES

Government of  
Northwest Territories

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

The NWT accounts for three per cent of the world's diamond production by value. In 2018, the NWT produced approximately 21.1 million carats of diamonds with an estimated value of \$2.09 billion.<sup>1</sup>

### Diamond Production

Since November 2017, Diavik Diamond Mine has been owned 60 per cent by Rio Tinto and 40 per cent by Dominion Diamond Mines ULC, a private company. Total proven and probable ore reserves at Diavik as at December 31, 2018 (and using a 1.0 mm cut-off) totaled 15 million tonnes with an average grade of 2.8 carats per tonne.

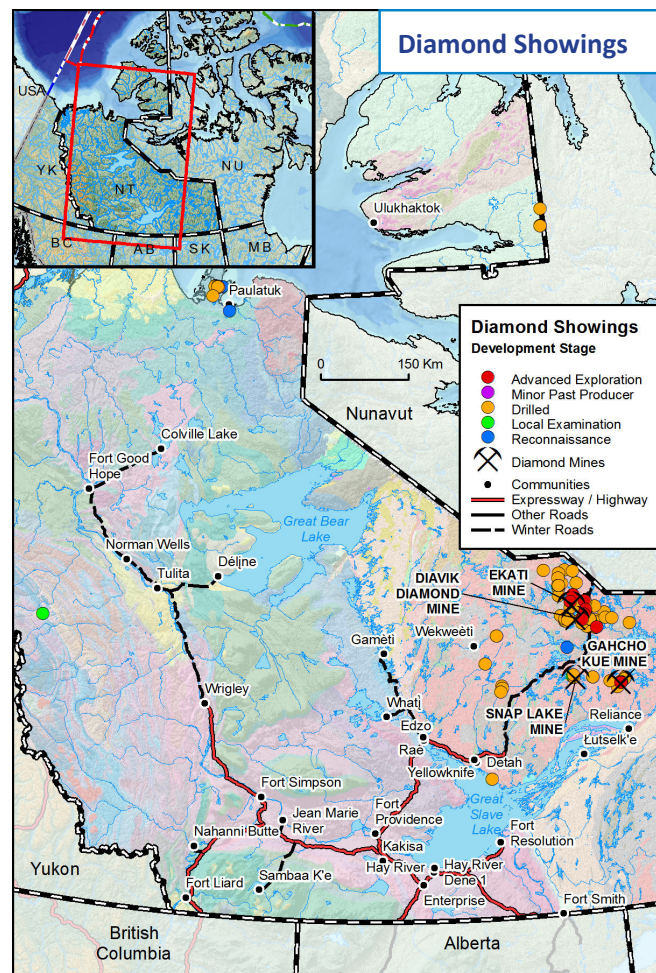
Diavik reached a production milestone of 100 million carats in 2016. In 2018, Diavik recovered 7.26 million carats of diamonds, including the largest diamond ever found in North America, a single yellow diamond that weighed 552 carats.

Dominion Diamond Mines ULC owns 89.9 per cent of Ekati Mine and is the operator.

Gahcho Kué Mine began full commercial production in March 2017. The mine is a joint venture between De Beers Canada Inc. and Mountain Province Diamonds Inc. Mineral Reserves as of December 31, 2018 stood at a probable 30.1 Mt of diamond with an average grade of 1.53 carats per tonne of ore (calculated using a 1.0 mm cut-off). During 2018, the Gahcho Kué Mine recovered approximately 6.9 million carats of diamonds. Drilling carried out in 2018 considerably expanded reserves and resources.

### NWT Investment Opportunities

In July 2016, De Beers announced that it was placing the Snap Lake diamond mine up for sale. In addition to the reserves at year-end 2015 (see table), Snap Lake Mine had an indicated resource of 4.1



million tonnes with an average grade of 1.78 carats of diamonds per tonne. The mine is currently in care and maintenance and De Beers Canada Inc. continues clean-up and restoration at the site.

<sup>1</sup> <http://www.nrcan.gc.ca/mining-materials/facts/diamonds/20513> and <http://sead.nrcan.gc.ca/prod-prod/ann-ann-eng.aspx>



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## Diamond Exploration

**Mountain Province Diamonds Inc.** acquired Kennady Diamonds Inc. in 2018 whose Kennady North project is adjacent to the Gahcho Kué Mine. Two pipes on the property have seen extensive work: Kelvin pipe contains an indicated resource of 8.5 million tonnes at an average grade of 1.6 carats per tonne of diamonds, while an inferred resource estimate for the Faraday 2 kimberlite stood at 2.07 million tonnes with a grade of 2.63 carats per tonne (March 2019).

**Margaret Lake Diamonds** drilled five separate targets on the Margaret Lake project in 2018. The property is contiguous with the Kennedy North project. In addition, Margaret Lake Diamonds has partnered with **Arctic Star Exploration Corp.** to explore in the Lac de Gras area.

Exploration continues both south and north of the Ekati and Diavik diamond mines. **Dominion Diamond Mines** and **North Arrow Minerals Inc.** carried out reverse circulation drilling on over 20 targets on their LDG project. North Arrow discovered a new diamond-bearing kimberlite on its Loki property.

**GGL Resources Corp.** carried out ground geophysical surveys on its Rhombus property by Yamba Lake in 2018 and identified some high priority drill targets for kimberlite. **Olivut Resources Ltd.** and **Talmora Diamond Inc.** have teamed up to try to find the source of diamonds found in stream sediments on their Seahorse project.

Project Name	Project Owner / Manager	Sample Result <sup>1</sup>	Sample Size <sup>2</sup>	Diamonds Recovered
Lac de Gras (WO / DO27)	72.1% De Beers Canada Inc.; 17.6% Archon Minerals Limited; 10.3% DHK Diamonds Inc.	DO 27 Ind (Aug. 7 2008)	19.5 Mt	0.94 ct/t
Yamba Lake/Torrie/Triceratops	GGL Resources Corp.	Prelim	83.6 kg	68 diamonds; 6 macros
CL 25 (Camsell Lake)	Mike Magrum	Prelim	350.4 kg	221 diamonds; 9 macros
Afridi Lake	Crown Land	Prelim	511.3 kg	46 diamonds; 4 macros
Blue Ice/Victoria Island	Crown Land	Prelim	934 kg	172 diamonds
Nicholas Bay	Crown Land	Prelim	127.7 kg	1,174 diamonds
Drybones Bay/Mud Lake	David Smith	Prelim	10 t (Drybones); 100 t (Mud Lake)	97 macros; 11 macros
Snap Lake Mine	De Beers Canada Inc.	Prb (Dec. 31, 2015)	5.7 Mt	1.26 ct/t
Kennady North	Mountain Province Diamonds Inc.	Kelvin (Ind); Faraday 2 (Inf)	8.5 Mt; 2.07 Mt	1.6 ct/t; 2.63 ct/t
Ranch Lake	Mike Magrum	Prelim	855 kg	266 diamonds; 46 macros
Hoam	Olivut Resources Ltd.	Prelim	TBD	6 diamonds from 3 kimberlites
Darnley Bay Gravity Anomaly	Generation Mining Ltd.	Prelim	533.1 kg	65 diamonds; 2 macros
Roundrock	Stornoway Diamond Corp.	Prelim	134.2 kg	19 diamonds; 6 macros
Cross Property	Stornoway Diamond Corp.	Prelim	2.4 t	7 diamonds
Munn Lake/Mackay Lake	Zimtu Capital Corp. / DG Resource Management	Prelim	42 kg	14 diamonds; 2 macros

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

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

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

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

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