

NEWS RELEASE

Igaluit, Nunavut, May 13, 2010.

Chamber of Mines to review new Nunavut planning and environmental assessment legislation

On May 12, 2010, the **Honourable Chuck Strahl, Minister of Indian Affairs and Northern Development**, introduced Bill C-25, the new *Nunavut Planning and Project Assessment Act* (NUPPAA) in the House of Commons.

The purpose of this long awaited legislation is to ensure clarity, consistency and legal certainty with respect to land use planning and environmental assessment processes in Nunavut. The bill is intended to further advance objectives within the Government's Northern Strategy, particularly the promotion of economic development and protection of environmental heritage in the North by providing clear parameters for governments and industry.

"Maximizing the North's economic potential is tied to the implementation of effective, efficient processes to attract and sustain development", said Minister Strahl. "This legislation contains provisions for timelines and a comprehensive enforcement regime for land use planning and environmental assessment".

"The minerals industry has long called for the enactment of this Legislation" said John F. Kearney, Chamber of Mines President. "The Chamber of Mines and other industry associations appreciated having been given the opportunity to comment on the draft Bill and have given the industry's support to the initiative that the Minister of Indian Affairs and Northern Development has taken to set out a regime for land use planning and project assessment that recognizes the importance of responsible economic development".

"We were pleased to see that the Bill establishes timelines for various decision-making points in the land use planning and environmental assessment processes and seeks to streamline the impact assessment process, especially for smaller projects. We will now review the provisions of the Bill in detail to assess how it will work in practice and we have established a working group to follow the progress of the Bill through Parliament. It is important that the legislation be enacted as soon as possible to encourage continued mineral exploration in Nunavut and facilitate the responsible development of Nunavut's considerable mineral endowment," added Mr. Kearney.

The Nunavut Planning and Project Assessment Act is intended to provide clarity, predictability, consistency and legal certainty to the planning and assessment processes in Nunavut that will foster economic investment for the benefit of Inuit, Northerners and industry. This bill emphasizes strong, predictable frameworks and lays out a clear, consistent and reliable planning and impact assessment process for development initiatives.

Under the provisions of the Nunavut Land Claims Agreement, the Nunavut Planning Commission and the Nunavut Impact Review Board were established in 1997 as institutions

of public government and the new Act will formally establish these bodies in legislation and describe in detail the processes under which they will operate.

The main provisions of Bill C-25, when enacted, will:

- Continue the functioning of the Nunavut Planning Commission and the Nunavut Impact Review Board and clearly define and describe their powers, duties and functions, including how their members are appointed. It will also clearly define the roles and authorities of Inuit and governments;
- Streamline the impact assessment process, especially for smaller projects, and provide industry with clear, consistent and transparent guidelines, making investments in Nunavut more attractive and profitable;
- Establish timelines for various decision-making points in the land use planning and environmental assessment processes to create a more efficient and predictable regulatory regime;
- Describe the process by which the Nunavut Planning Commission and the Nunavut Impact Review Board will examine development proposals;
- Provide for the development of general and specific monitoring plans that will enable both governments to track the environmental, social and economic impacts of projects;
- Establish effective enforcement tools to ensure terms and conditions from the plans and impact assessment process are followed; and
- Define how, and by whom, Land Use Plans will be prepared, amended, reviewed and implemented in Nunavut;

For 2010, NRCAN's preliminary estimates show expected mineral exploration expenditure in Nunavut at \$238 million, which will represent a 25% increase from 2009. Most of the exploration expenditures will be for gold at \$150 million, with \$30 million exploring for uranium, \$20 million for base metals and \$40 million for other minerals, including diamonds at \$8 million. Senior companies are expected to invest \$148 million and Junior companies \$90 million.

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