November 9, 2018

Dear [Name]:

Re: Your request for access to information under Part II of the Access to Information and Protection of Privacy Act (File # NR-231-2018)

On October 22, 2018, the Department of Natural Resources received your request for access to the following records/information:

Any Decision, Direction, Information, Meeting, Briefing or other such note created in 2018 regarding BARITE MUD LIMITED.

I am pleased to inform you that a decision has been made by the Department of Natural Resources, confirmed by the Deputy Minister, to provide access to the requested records. The records are attached.

We are providing access to the most information possible but have made redactions in accordance with Sections 29(1)(a), 35(1)(d) and 35(1)(g) of ATIPPA, 2015 as follows:

29. (1)(a) The head of a public body may refuse to disclose to an applicant information that would reveal advice, proposals, recommendations, analyses or policy options developed by or for a public body or minister;

35. (1) (d) The head of a public body may refuse to disclose to an applicant information which could reasonably be expected to disclose information, the disclosure of which could reasonably be expected to result in the premature disclosure of a proposal or project or in significant loss or gain to a third party;

35. (1) (g) The head of a public body may refuse to disclose to an applicant information which could reasonably be expected to disclose information, the disclosure of which could reasonably be expected to prejudice the financial or economic interest of the
government of the province or a public body.

As set out in section 42 of the Act you may ask the Information and Privacy Commissioner to review the department’s decision to provide access to the requested information. A request to the Commissioner must be made in writing within 15 business days of the date of this letter or within a longer period that may be allowed by the Commissioner. Your request should identify your concerns with the department’s response and why you are requesting a review.

The request for review may be addressed to the Information and Privacy Commissioner is as follows:

Office of the Information and Privacy Commissioner
2 Canada Drive
P.O. Box 13004, Stn. A
St. John’s, NL. A1B 3V8

Telephone: (709) 729-6309
Toll-Free: 1-877-729-6309
Facsimile: (709) 729-6500

Pursuant to section 52 of the Act, you may also appeal directly to the Supreme Court Trial Division within 15 business days after receiving the department’s decision.

Please be advised that responsive records will be published following a 72 hour period after the response is sent electronically to you or five business days in the case where records are mailed to you. It is the goal to have the responsive records posted to the Completed Access to Information Requests website within one business day following the applicable period of time. Please note that requests for personal information will not be posted online.

For further details about how an access to information request is processed, please refer to the Access to Information Policy and Procedures Manual at http://www.atipp.gov.nl.ca/info/index.html.
If you have any questions, please feel free to contact me at 709-729-0463 or rhynes@gov.nl.ca.

Sincerely,

Rod Hynes

Rod Hynes
ATIPP Coordinator
Information Note
Department of Natural Resources

Title: Newfoundland and Labrador Mining Industry Overview

Issue: Overview of the status of the mining industry in Newfoundland and Labrador for the 2018 Energy and Mines Ministers' Conference

Background and Current Status:

- The gross value of mineral shipments for Newfoundland and Labrador in 2017 was $3.60 billion with a forecasted value of $3.39 billion for 2018.

- The NL Mining industry average employment was 5,335 person years in 2017 with a forecasted value of 6,111 person years in 2018. Mining construction employment included in these values for 2017 and 2018 are 496 and 874 respectively, the increase is mainly attributed to Voisey’s Bay Underground Mine Expansion.

- Iron, nickel, and copper contribute 91% of the value of shipments from the province with gold, cobalt, silver, industrial minerals, stone, sand and gravel contributing the remainder.

- Producing mines in the province are summarized in the table below:

<table>
<thead>
<tr>
<th>Operator</th>
<th>Commodity</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vale Newfoundland and Labrador Limited</td>
<td>Nickel/Copper/Cobalt</td>
<td>Voisey’s Bay</td>
</tr>
<tr>
<td></td>
<td>Finished</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Nickel/Copper/Cobalt</td>
<td></td>
</tr>
<tr>
<td>Iron Ore Company of Canada</td>
<td>Iron Ore</td>
<td>Labrador City</td>
</tr>
<tr>
<td>Tata Steel Minerals Canada Ltd.</td>
<td>Iron Ore</td>
<td>Elross Lake/Menihek</td>
</tr>
<tr>
<td>Anaconda Mining Inc.</td>
<td>Gold</td>
<td>Pine Cove</td>
</tr>
<tr>
<td>Rambler Metals and Mining Canada Limited</td>
<td>Copper/Gold/Silver</td>
<td>Baie Verte</td>
</tr>
<tr>
<td>Atlantic Minerals Limited</td>
<td>Limestone/Dolomite</td>
<td>Lower Cove</td>
</tr>
<tr>
<td>Hi – Point Industries (1991) Ltd.</td>
<td>Peat</td>
<td>Bishop’s Falls</td>
</tr>
<tr>
<td>Barite Mud Services Inc.</td>
<td>Barite</td>
<td>Buchans</td>
</tr>
<tr>
<td>Trinity Resources Ltd.</td>
<td>Pyrophyllite</td>
<td>Manuels</td>
</tr>
<tr>
<td>Canada Fluorspar(NL) Inc.</td>
<td>Fluorspar</td>
<td>St. Lawrence</td>
</tr>
<tr>
<td>Galen Gypsum Limited</td>
<td>Gypsum</td>
<td>Coal Brook</td>
</tr>
</tbody>
</table>

- Vale Newfoundland and Labrador announced that its Voisey's Bay Mine Expansion will proceed this summer. The project represents close to $2 billion in capital expenditures by Vale. There will be 16,000 person years of employment during the five years of construction, peaking at 4,800 person years in 2020. First ore production from underground is expected by April 2021.

- Tacora Resources Inc., an iron ore mining and development company based out of Grand Rapids, Minnesota, has acquired the former Wabush Scully mine in Wabush, Labrador. In a May 2018 Preliminary Economic Assessment the company estimated a capital expenditure of $210 million to reactivate the mine. Tacora has been released from environmental assessment and is currently attempting to raise capital.

- Wabush 3 project, owned by the Iron Ore Company of Canada, was delayed due to a nine week work stoppage. IOC plans to officially open Wabush 3 on September 25, 2018.
• Howse Minerals Limited, a subsidiary of Tata Steel Minerals Canada, has been given Mining Act approval for their Howse project in Menihek area of Labrador.

• Alderon Iron Ore Corp. continues to advance their Kami project located in Labrador West. The company expects to release a new Feasibility Study in Q4, 2018.

• Red Moon Resources Inc. is developing the Ace gypsum deposit near Flat Bay. Mining Act approval is in place and mining can start once financial assurance is in place. The mine will employ 15 people on a seasonal basis with an initial production of 100,000 – 250,000 tonnes per year ramping up to 300,000 – 450,000 tonnes per year. The life of the mine is expected to be 10 years.

• Projects in advanced stages of exploration in the Province:

<table>
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<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>Marathon Gold Corporation</td>
<td>Gold</td>
<td>Valentine Lake</td>
</tr>
<tr>
<td>Maritime Resources Corp.</td>
<td>Gold</td>
<td>King's Point</td>
</tr>
<tr>
<td>Search Minerals Ltd.</td>
<td>Rare Earth Elements</td>
<td>Port Hope Simpson</td>
</tr>
<tr>
<td>Matador Canada</td>
<td>Gold</td>
<td>Cape Ray</td>
</tr>
<tr>
<td>Buchans Minerals / Minco PLC</td>
<td>Zinc-Lead-Copper-Silver-Gold</td>
<td>Buchans</td>
</tr>
</tbody>
</table>

Analysis:

• Over the past year, iron ore prices have remained fairly steady with a peak of $79.70 USD/tonne at the end of February. As of July 20, the price is $64.10 and the average price for the past month (June 20- July 20) is $63.40.

• Efforts to advance potential iron ore projects in Labrador are based on being high quality ore which is in demand from China due to efforts to reduce emission.

• Nickel prices have fluctuated over the past year peaking at $15,750 USD/tonne in June and at July 20 is $13,425. The average price for the past month (June 20 - July20) is $14,335. Nickel prices are closely related to demand from stainless steel producers who account for about two-thirds of total demand.

• Copper prices had steadily increased since January 2016 and peaked in June at $3.29 USD/lb. Prices have since declined to $2.75 as of July 20 and the average price for the past month (June 20 - July20) is $2.95.

Prepared/approved by: B.Lawlor / K. Bradbury / A. Smith
Ministerial Approval: Received from Honourable

July 31, 2018