



“Open for Business”

MINING ASSOCIATION OF MANITOBA

Mark Scott
President – Mining Association of Manitoba Inc. (MAMI)

Manitoba Mining & Minerals Conference
November 16, 2016



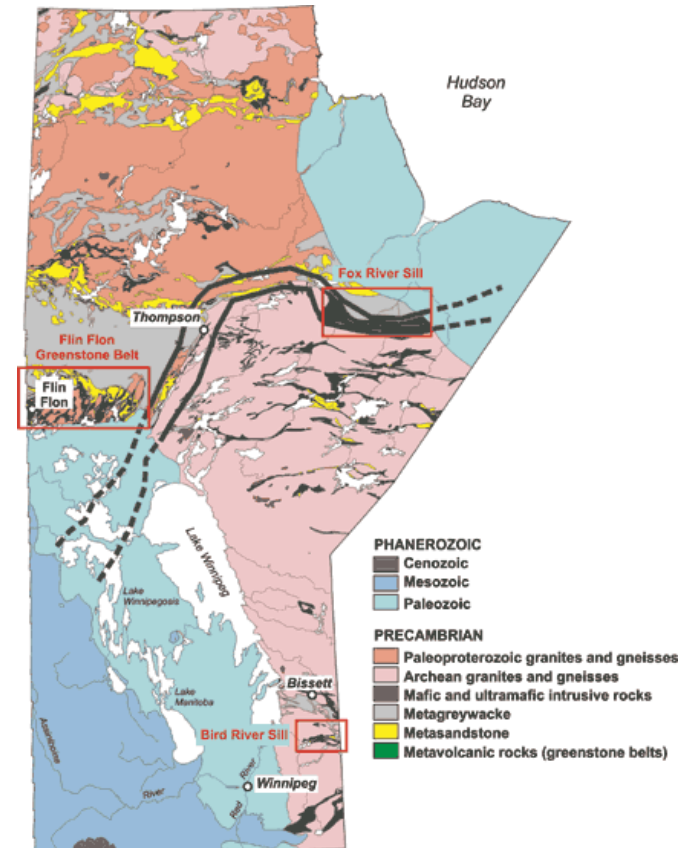
Risk Management Share

- First brush with winter?



Mining Association of Manitoba Inc.

- Changes at the Association
- Recent Accomplishments
- Mining in Manitoba
- Policy Priorities & Opportunities
- Executive Director Search



Open for Business

Safety & Manitoba Mine Rescue



MAPAM & Manitoba Mine Rescue – Now amalgamated with MAMI



Accomplishments

- Signatory to “A Declaration of Common Values for the Sustainable Development of the Boreal in Northern Manitoba”

northernvalues.com

- Published Aboriginal Engagement Handbook
- Published Mineral Exploration Guidelines
- 55th Annual Provincial Mine Rescue Competition 2016
- Mine Rescue team competed at IMRC 2016
- Revised MAMI Strategic Plan & Established three clear sets of policy priorities...

Today, the mining industry is one of the most important sources of wealth in the province:



6%
of Manitoba's GPP
(Gross Provincial Product 2014)



Aboriginal Employment is
over 16%

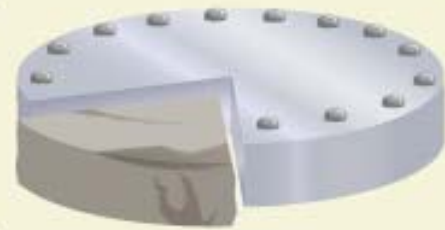


Workforce of
3,200 people
(2015)

\$1.3 billion
in minerals were produced
(2013)



\$1.11 billion
= metals



\$226 million
= non-metallic

This makes mining the fourth largest primary industry after:

① Agriculture

② Hydro

③ Oil Production



Between 2007 and 2013, the Manitoba mining industry contributed:



Nearly \$650 million
to both municipal and
provincial governments



More than \$2.3 billion in
salaries for workers in the
mining sector, which also
contributes to federal and
provincial income tax

Mining In Manitoba Today

Mining provides some of the safest and highest paying jobs in the province.

The John T. Ryan regional award is a symbol of premier safety in mining.

Number of times mines in Manitoba have won the John T. Ryan since 1941:

5 National Trophies
for Metal Mines



32 Regional Trophies
for Metal Mines



SAFETY
FIRST



Time Loss Injuries

By Major Industry Sectors - 2014

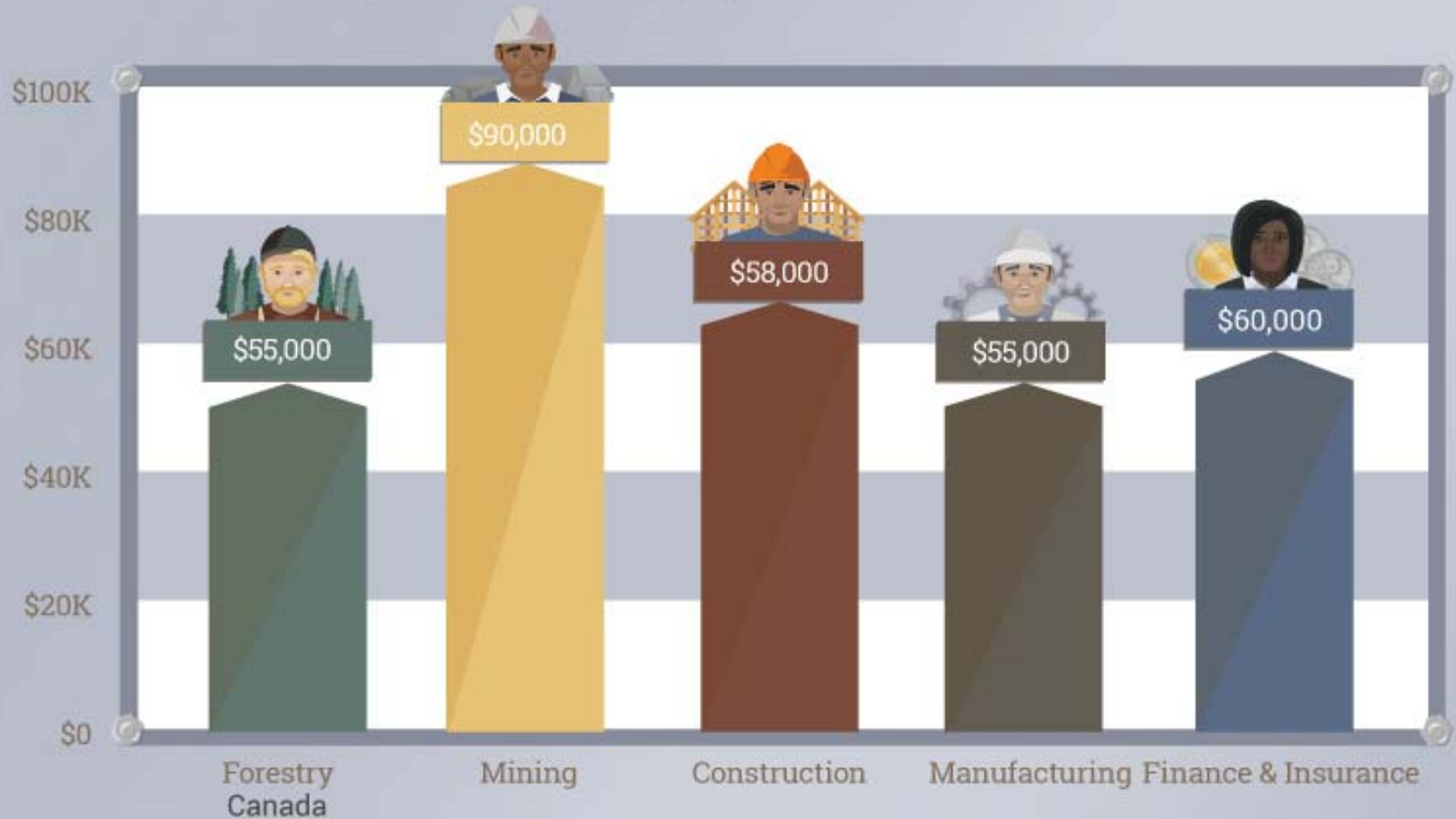
Mining boasted fewer cases of time loss injuries when compared to other industry sectors.



Average Salaries in Manitoba

By Industry - 2015

Across Canada, mining workers earn the highest wages and salaries among all industrial sector employees.



Source: Statistics Canada based on average weekly earnings July 2015.

In 2014, the province of Manitoba produced:



of Canada's nickel



of Canada's copper



of Canada's gold



of Canada's silver



of Canada's zinc



This accounted for 3 cents out of every production dollar,
or \$1.3 billion out of a total \$43.6 billion.



Untapped Mineral Potential

Manitoba's market share of total exploration expenditure in Canada is only 1.4%.

However, the province has rich potential for future economic mineral development including:



Diamonds



Platinum-Group Metals (PGM)



Rare Earth Elements (REE)



Titanium



Vanadium



Chromite



Silica



Potash



Large areas of high mineral potential in remote regions of the province remain under-explored when compared with similar regions elsewhere in Canada.

Mining is important in our everyday lives.

Minerals mined in Manitoba have a variety of uses such as:

Building Construction

Medicine and Dentistry

Coins



...as well as electronics, transportation, aerospace, household appliances, automotive parts, nutrition, batteries and more.

Mining is one of the most important industries

with a rich history in the province in wealth generation, and Manitoba is a top ranked jurisdiction for investment attractiveness in mining.



Provincial Goals

- **MAMI recommends the Province of Manitoba take action to meet the following objectives:**
 - **10% Mineral Tenure of the Manitoba land base;**
 - **10% Exploration Spend (of national total);**
 - **10% GPP from Mining in Manitoba.**

Manitoba Policy Priorities & Opportunities

COMPETITIVENESS, CERTAINTY, CAPACITY





Competitiveness

- **Infrastructure**
 - Improve access to land & associated cost; routes to market
- **Mining Tax Rates**
 - Neighboring jurisdictions have lower tax rates & allow quicker depreciation of capital investments
- **New mining investment tax credit**
 - Treat mining companies the same as other manufacturers
- **Remove barriers to developing inter-provincial resources**
- **Manitoba Geological Survey**
 - Resource MGS



Certainty

- **Implement a consultation & permitting process which:**
 - Articulates definite timelines
 - Is commensurate with the intensity of the work being performed at a particular point in the life cycle of a project
 - Compels stakeholders to participate
- **Access to Land**
 - Implement mandatory review of mineral potential prior to land withdrawals
- **Manitoba Hydro – Electricity Cost**
 - 4% annual increases not sustainable for large industrial consumers
- **Regulatory Opportunities**
 - ACGIH Automatic Adoption; WSH vs. Operation of Mines Differences



Capacity

- **Workforce Adjustment**
 - Vale 2018 – “Thompson 2020”
 - Hudbay 2020 – Flin Flon

- **Workforce Training & Development**
 - “Cradle to Careers” Workforce Development – Close to home
 - Support Northern Sector Council training to employment programs
 - Support Industrial Skills & Trades Training Centre (UCN)

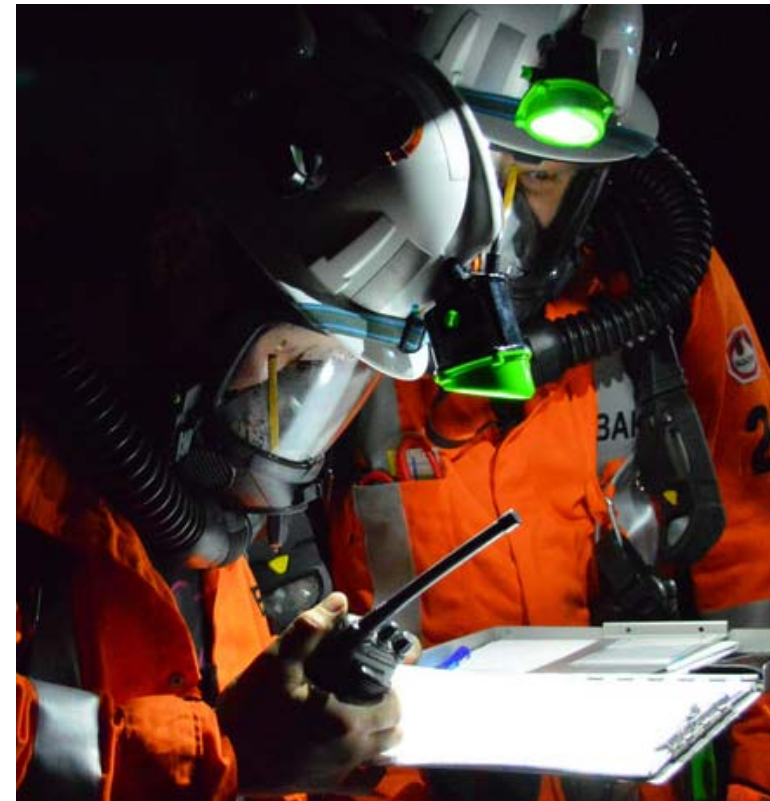
- **Infrastructure**
 - All weather roads & highway load limits
 - Rail line physical reliability & service

- **Northern Economic Development Strategy**



Executive Director Search

- MAMI has launched a search project to find a new Executive Director
- Contact Leaders & Co.:
 - Roma Thorlakson (204) 272-8183 x108
 - roma@leadershinternational.com



Thank You

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