

Mining, Exploration and Government Geoscience in Newfoundland and Labrador 2008

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2008 saw continued high levels of exploration activity in Newfoundland and Labrador, although forecast expenditures will fall short of those in 2007. There is considerable interest in western Labrador iron ore, with consideration of direct-shipping ore from the former Schefferville mine sites. The Moly Brook prospect continues to show promise for a major molybdenum deposit, and several companies are in the early stages of exploring for potash in the Carboniferous evaporite deposits of western Newfoundland. Base-metal exploration continues in central Newfoundland, with the highlights being the delineation of a large low-grade deposit in the former Buchans mine site by Royal Roads, and promising results from drilling and dewatering of the Ming Mine on the Baie Verte Peninsula.

Uranium exploration continues to be important, despite a moratorium on uranium mining imposed by the Nunatsiavut Government in March 2008. The moratorium only affects actual mine development, not exploration, and much of the prospective ground in Labrador lies outside of the Nunatsiavut land claim. The best prospect of a mine (the Michelin deposit of Aurora) lies within Nunatsiavut lands but the company is proceeding with drilling to delineate the deposit, environmental baseline work, and community engagement. Grass-roots uranium exploration also is proceeding on the island of Newfoundland.

One new mine opened in 2008 (Anaconda's Pine Cove gold mine, near Baie Verte), the fourth new mine since 2004. Production is dominated by the Voisey's Bay nickel mine, and the iron ore mines in western Labrador continue to make major contributions. The Iron Ore Company of Canada announced an investment of \$800 million to upgrade mining infrastructure in Labrador City allowing a major increase in annual production.

Public geoscience is led by the Geological Survey of Newfoundland and Labrador (GSNL) in partnership with the Geological Survey of Canada (GSC). The 2008 provincial budget identified a three-year commitment of an additional \$1 million to the survey budget (25% increase), allowing recruitment of new staff and an expansion of field activities. Tenders have been let for an aeromagnetic survey of western Newfoundland, which in combination with existing data, and 2008 surveys flown for the Energy Corporation, will provide excellent new coverage of 7600 km². The GSC will fly aeromagnetic surveys covering nearly 9000 km² in western Labrador/Quebec as part of a joint cost-shared program with both the GSNL and the province of Quebec under the Federal Geoscience for Energy and Minerals program (GEM). The GSNL started bedrock mapping in the same area in 2008 as part of its contribution. Further joint GSC-GSNL work continued with the Targeted Geoscience Initiative-3 projects in central Newfoundland.

The expanded budget allowed the GSNL to increase field activities, particularly in Labrador, where three major projects took place. Although most of the survey's activities are aimed at serving the mineral exploration industry, its core client group, the survey is adapting to cope with increasing demands for geoscience expertise in oil and gas exploration, groundwater, land-use planning, geological hazards and geotourism.

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