

# An Overview of Mining and Mineral Exploration in Nova Scotia, 2009

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Mineral production in Nova Scotia in 2009 continues to be led by industrial minerals in terms of both value and quantity as many of the gypsum, salt, limestone and construction aggregate sites in Nova Scotia are long-term operations. After a long period of record annual production of over 8 million tonnes, the Nova Scotia gypsum industry has recently reduced production by approximately 40% due to both the lower demand for construction wallboard and the growth of synthetic gypsum production. This has resulted in temporary shutdowns at several mines in 2009. Production is expected to increase as new home construction increases in the U.S. Demand for road de-icing salt products from the underground mine in Pugwash and the brining operation in Nappan was strong due to record snowstorms and consistent freezing temperatures during the winter of 2008-2009. Coal production increased significantly over the past few years with reclamation mining projects operating at sites of former underground mines. Nearly one million tonnes of coal is expected to be mined in 2009 from Pioneer Coal's two large surface mines in Stellarton and Point Aconi, with most of the production being used for thermal generation of electricity. The demand for construction aggregate, for both domestic and export markets, continues to grow annually and Martin Marietta's crushed granite aggregate quarry at Auld's Cove continues to rank in the top five largest Canadian crushed stone quarries.

A recent economic impact study by Gardiner Pinfold Consulting indicates that mining remains a very important economic sector of the provincial economy. In addition to the minerals mentioned above, Nova Scotia continues to produce limestone, marble, slate, sandstone, peat, silica sand, clay, shale, sand and gravel. Secondary processing of mineral products includes the manufacture of Portland cement products, ready mix concrete, brick products, clay products, building stone products (marble, slate, sandstone, granite), de-icing salt and consumable salt products.

As a result of low mineral commodity prices, the overall level of exploration activity for 2009 is down from 2008, with expected exploration expenditures near \$6 million. Exploration continues to focus on gold and base metals and there continues to be an interest in rare metals. Development and advanced exploration stage projects include: Atlantic Gold's Touquoy surface gold project at Moose River; the Donkin Coal Alliance's undersea coal project near Donkin, and the Fundy Gypsum Limited expansion of the Miller Creek Gypsum Mine. Acadian Mining will focus on continuing the development of its five advanced gold projects: Beaver Dam, Fifteen Mile Stream, Forest Hill, Goldenville and Tangier. Deposit evaluation continues for several companies, including Silvore Fox Minerals Corp. (Coxheath copper-molybdenum-gold deposit), Orex Exploration (Goldboro gold deposit) and Atlantic Gold (Cochrane Hill gold deposit). Exploration is also being carried out by joint venture partners Minotaur Atlantic Exploration Ltd. and Dundee Precious Metals (central Nova Scotia iron oxide-copper-gold deposits), Avalon Ventures Ltd. (East Kemptonville base- and rare-metal project) and numerous individual companies and prospectors.

The government of Nova Scotia encourages the responsible use of its mineral resources through a combination of comprehensive industrial development regulations, geoscience programs and support for economic development. DNR continues to assist the mineral industry by refining and expanding its geoscience databases and makes them available free of charge through the Internet.

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