

Mineral Exploration and Deposit Appraisal Expenditures in Ontario

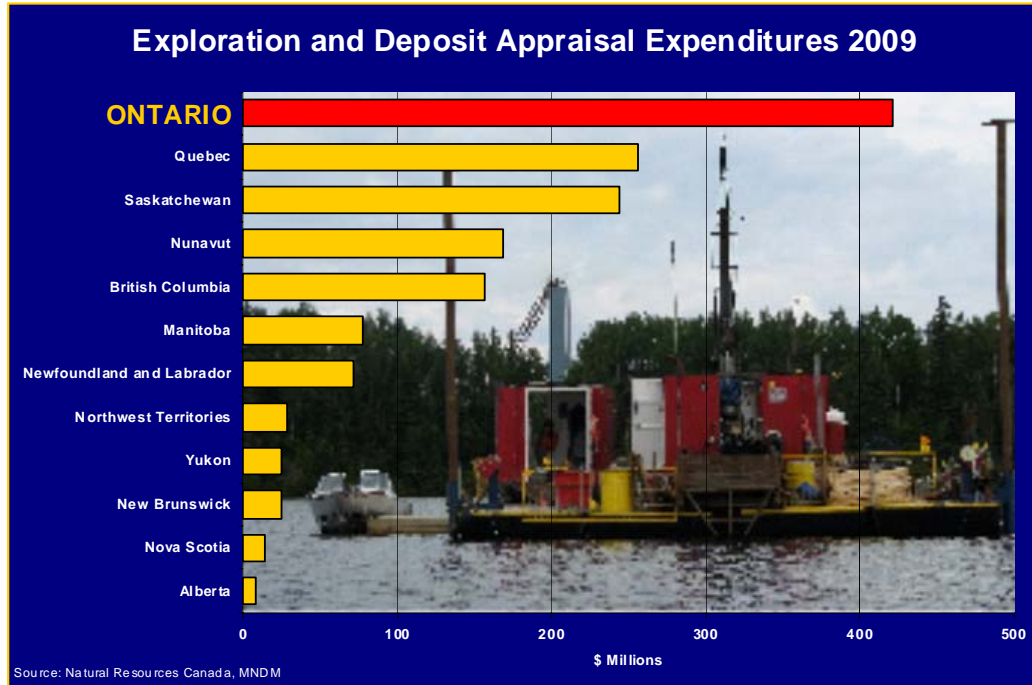
- Preliminary estimates for exploration and deposit appraisal expenditures during the year 2008 climbed to \$667 million from \$572 million in 2007. Spending intentions for 2009 show a decrease of 37% to \$421 million.
- Spending intentions for 2009 indicate that Ontario will lead all Canadian provinces and territories in exploration and deposit appraisal expenditures, accounting for 28% of Canada's total expenditures.
- Expenditures by activity in 2008 were \$427 million (83%) for Off Minesite exploration and \$88 million (17%) for On Minesite exploration. Spending intentions for 2009 indicate that \$259 million (78%) will be spent on Off Minesite and \$74 million (22%) will be spent on On Minesite exploration activities.
- Junior companies are playing a more prominent role in exploration in Ontario. In 2009, spending by Ontario's junior mining companies is expected to decline to \$218 million, from \$344 million in 2008 and the \$260 million spent in 2007. However, for the second year in row more than half of the exploration spending in 2009 is by junior companies.
- Senior companies are expected to spend \$203 million in 2009 as exploration activity continues at minesites, and gold producers are conducting extensive exploration and development work in the vicinity of their gold mines. Spending by Ontario's senior companies reached \$310 million in 2008, up from \$302 million in 2007.
- With spending of over \$360 million in 2008, gold continues to be the most sought-after commodity in Ontario as it is in Canada and globally. Exploration on platinum group metals continues across the province in areas such as Marathon and Sudbury and spending exceeded \$30 million in 2008. Work on uranium projects across Ontario has led to a rise in exploration spending to \$13 million in 2008.
- The number of active mining claim units in good standing in Ontario climbed to a record high of 363,000 in 2008, an increase of 18% from 308,000 in 2007. This increase was attained by the level of new claim units recorded exceeding 100,000 for the second consecutive year.
- The value of assessment work in Ontario climbed to \$114 million in 2008 from \$84 million in 2007 which had fallen slightly from \$88 million in 2006.

Exploration - activities up to and including the discovery and first delineation of a new mineral deposit of potential economic interest

Deposit Appraisal - activities to bring a delineated deposit to the stage of detailed knowledge required for a feasibility study to support a production decision



Mineral Exploration and Deposit Appraisal Expenditures in Ontario



Ontario has been the leading jurisdiction in Canada for mineral exploration and deposit appraisal expenditures since 2000.

Mineral Exploration and Deposit Appraisal Expenditures					
(Cdn\$ millions)					
Province/Territory	2007	2008 ^a		2009 ^b	
	\$	\$	% of Canada	\$	% of Canada
Newfoundland	148.0	138.3	4.9	70.9	4.7
Nova Scotia	23.5	17.3	0.6	13.7	0.9
New Brunswick	35.8	31.5	1.1	25.3	1.7
Quebec	476.4	434.9	15.3	255.5	17.1
Ontario	571.7	666.9	23.5	421.2	28.2
Manitoba	102.6	141.5	5.0	77.4	5.2
Saskatchewan	314.0	430.8	15.2	243.9	16.3
Alberta	11.8	22.1	0.8	8.1	0.5
British Columbia	470.6	423.3	14.9	157.3	10.5
Yukon	144.7	123.4	4.4	25.3	1.7
Northwest Territories	193.7	133.1	4.7	28.4	1.9
Nunavut	338.0	273.7	9.6	168.2	11.3
Total	2830.8	2836.6	100%	1495.1	100%
On Minesite	193.3	220.6		194.0	
Off Minesite	2637.5	2616.0		1301.1	

(components may not add due to rounding)

a – Preliminary Estimates
b – Spending Intentions

Source: Natural Resources Canada, MNDM



Exploration surrounding the base metals discovery at McFaulds Lake has helped Ontario maintain a leading role in exploration in Canada.