Ring of Fire
The Ring of Fire
Ring of Fire

• Magma chamber complex in NE Ontario around McFauld’s lake in James Bay lowlands with magmatic sulphides and platinum-group metal ores
  • Ni, Cu, Pt, Pd, Rh, Au, Ag, Cr
• Mining potential noticed only in the past 15 years
• Chromite vital to stainless steel, robust demand for this from China, India
• On 5,120 km² of pristine lakes, bush
The Big Players

- **Noront Resources Inc** made the initial chromite find
- Company president a Johnny Cash fan
  - Named the discovery “Ring of Fire”
- Then Freewest Resources Canada Inc found $30 billion more
- US-based Cliffs Resources
- Toronto-based KWG Resources Inc
Noront Resources Inc

• Field activities focus on the Esker camp
The Ring of Fire

• Chromite ore runs 40-100M deep in places
  • Worth $30-100 billion at 2010 prices
• South African chromite ore beds just 1-2M thick
McFaulds Lake ON
Ring of Fire

The Ring of Fire is an area of approximately 5,120 square km around McFauld’s Lake.
Ring of Fire

• Staking rush ensues over 3600 km²
  • 32 Junior companies active
  • With 3 big players
• To mid-February 2008
  • 3,600 staked claims over 100,000 HA
• By March 2010
  • 31,000 claims staked
• The largest staking rush in Ontario’s history
Noront Resources

• 20% owned by investors in China
• 117,000 HA of claims
• Wanted to begin production in 2015
• Asks Ontario to provide
  • a hydro line and subsidised hydro for the mine
  • A 330 km railway
Ring of Fire

- 150-200 years of Chromite production at McFaulds Lake
- US-based Cliffs proposes a 350-km railway from McFauld’s Lake to the CNR at Nakina
  - To ship 4 million tonnes/year
  - Will span 80 creeks and rivers, including two rivers declared Provincial Parks
Ring of Fire

• Smelter needed
• Originally planned for Thunder Bay but CNR recently tore up some tracks needed for this route
• So Smelter may go to the Geraldton area
  • Or perhaps out of province
• Requires cheap hydro
• Spare capacity available due to slowdown in forestry products
Ring of Fire

- Ores on the traditional lands of two First Nations:
  - Marten Falls FN
  - Webequie FN
- Both of whom imposed blockades on the mining exploration Jan-March 2010
  - Float plane traffic disrupts caribou migration, pollutes lakes
- Affects 7 other FN's
Ring of Fire

• May create 4,500 long-term jobs in the North
• Companies talking to First Nations
• First Nations cautiously open to negotiations
  • But know that blockades work
• Companies still not properly sensitive
  • April 2010 a KWG contractor disrupted a burial ground and angered Marten Falls FN
Marten Falls FN

• Population 300
• Nearly everyone is unemployed
• Water on the reserve is unfit to drink
• Noront Resources plays Santa
SCHOOL CLOSED
No Water No Heat
Fix My School
Marten Falls FN

• Ring of Fire provides opportunities for the band to get the attention of powerful outsiders
• Marten Falls FN campaigns for improvements to its school, water supply
• Blockading airstrips used for mine exploration
• Mining interests offer political leverage
OUR PEOPLE 
OUR LAND 
OUR RIGHTS 
OUR FUTURE!
Webequie FN

- Population 700
- 80% of families are on welfare
- 1 in 10 waiting for housing
- Can’t drink the water here either
- But they are passionate about square dancing and hockey
- And the mining companies are trying to build bridges
WELCOME TO WEBEQUEIE
Indian Reserve #240
Webequie 1976
Ring of Fire

- Various stakeholders busy staking out their positions
- **First Nations**
- Mining Companies
- **Politicians**
- **Ambitious Municipalities**
2010 Ontario Throne Speech

• Growing demand in China, India for industrial raw materials
  • Boosting demand for iron ore, oil, coal, metal ores
• The McGuinty government wanted to develop mines for chromite in the James Bay lowlands
  • Part of an Ontario economic renewal strategy
  • Will depend on access to traditional aboriginal land
• Appointment of a Ring of Fire co-ordinator announced in the 2010 provincial budget
2010

• 25 October 2010, the Government of Ontario's Far North Act passes into law
• Attempts to balance the interests of the environment, needs of First Nations, needs of the economy in the North with a planning framework
2011

• Ontario MNR sets up a ROF co-ordinating body to liase with First nations, mining interests

• Federal Environmental Assessment completed: favouring mining interests, over First Nations.
2012

• May 2012, Cliffs Natural Resources announces a $3.3BN mine, transportation corridor, processing facility for ROF
• McGuinty asks Harper to help in ROF
• Oct 2012 Chinese company Sinocan starts drilling near Webequie FN
• Nov 2012, Harper appoints Tony Clement as lead federal minister for ROF
2013

• Feb 2013: KWG Resources proposes a 300km rail scheme to ROF through their staked claims.
• April 2013: FedNor minister Tony Clement describes ROF as the “Oil Sands of Ontario”.
• June 2013: Cliff Resources puts its $3.3BN investment on hold
  • Sells its ROF claims to Noront for $20M
2013

• Nov 2013 Federal support for ROF waning, Harper refuses to meet with Premier Wynne.
2014-2015

• Activity limited to mining exploration, negotiations. Most major issues unresolved
• **Federal interest at a low level**
• Mining companies still waiting
• Bob Rae negotiating on behalf of the First Nations.
2017

• Aug 2017 Wynne government announces construction of a provincially-funded highway from ROF to Highway 599 at Pickle Lake
  • Will also connect Nibinamik FN and Webequie FN
  • Construction to start in 2019
2018

• Noront invites northern Ontario towns to compete for a projected smelter
  • Seeks subsidies, concessions
• Doug Ford government comes to power
  • Ford vows to ‘drive the bulldozers himself’ to get the ROF under way
• “A bulldozer will sink in the muskeg if you don’t know where you're going. That’s why you need First Nations involvement.”

-Chief Bruce Achneepineskum of Marten Falls FN
The Way Forward

• Supreme Court indicates that Canada, Ontario must properly consult with FNs before a development can proceed
• FNs cannot veto, government cannot listen and then ignore what it is told
• Governments must show they have listened to FNs
  • Cut deals not just drive bulldozers
A Lost Opportunity

• Kathleen Wynne fought and won an election on creating an enhanced pension for Ontarians
• Eventually agreed to let Ottawa handle it
  • Pension contributions go to Ottawa
• But what if Ontario had set up its own enhanced pension fund
  • Might have the money to invest in ROF