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
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
  – 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 FNs
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
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
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 liaise 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