



FUNDING  
NORTHERN  
POSSIBILITIES

# 2023 Annual Report

Administered by



Funded by











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# LAND ACKNOWLEDGMENT

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Manitoba is located on Treaty 1, 2, 3, 4, and 5 Territories and includes travel through communities who are signatories to Treaties 6 and 10. Manitoba is located on the ancestral land of the Anishinaabeg, Anishinewuk, Dakota Oyate, Denesuline, and Nehethowuk Nations, and is the Homeland of the Red River Métis. Northern Manitoba includes lands that were and are the ancestral lands of the Inuit.

The Manitoba Mineral Development Fund respects the spirit and intent of Treaties and Treaty Making and remains committed to working in partnership with First Nations, Inuit, and Métis people in the spirit of truth, reconciliation, and collaboration. Acknowledging these original caretakers is a reminder of our unique heritage, our important relationships, and our obligations to and shared responsibilities with Indigenous peoples.

# PROGRAM OVERVIEW

The Manitoba Mineral Development Fund (MMDF) is a \$20M provincial fund administered by the Manitoba Chambers of Commerce (MCC). The fund was initiated in 2019 and in June 2022, MCC entered a renewed three-year agreement with the Province of Manitoba for delivery of MMDF.

MMDF is dedicated to supporting strategic projects aimed at advancing mineral exploration and development within Manitoba. Specifically, it focuses on initiatives fostering increased Indigenous participation and promoting sustainable economic growth throughout the province's mineral supply chain.

The purpose of MMDF is to grow the mineral development industry and stimulate economic development in northern Manitoba. Emphasis has been directed on supporting the mineral exploration and development industry. To do this, MMDF provides grant funding to projects that benefit Manitoba's economy and local communities alike, with a focus on projects related to the mining supply chain.

## KEY OBJECTIVES

1.

Increase mineral exploration and development in Manitoba.

2.

Support workforce and business development to strengthen the mining supply chain in Manitoba.

3.

Advance economic reconciliation through meaningful partnerships with Indigenous communities, businesses, and the mining sector in Manitoba.

4.

Support economic development in mining communities impacted by changes in mining activity (closures, downsizing, expansion, new development).

## PROGRAM HIGHLIGHTS:

In 2023, MMDF approved \$5.2 million towards a range of mining and economic development projects across Manitoba. This includes:

**25**  
projects approved

**130**  
short-term jobs created

**108**  
long-term jobs created

**90**  
community-Indigenous partnerships formed

**\$33.7M**  
(87 per cent) dollars leveraged





## MESSAGE FROM THE BOARD CHAIR

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In 2023, the Manitoba Mineral Development Fund (MMDF) continued its mission to advance mineral exploration and development within Manitoba, approving \$5,245,261 in funding. Our robust review process, conducted by the Application Review Committee, assessed 40 projects, with 25 receiving approvals from MMDF's Board of Directors, highlighting our commitment to supporting impactful initiatives.

Projects funded by MMDF have directly contributed to the creation of 130 short-term jobs and 108 long-term jobs, fostering employment opportunities and economic prosperity across the region. Additionally, our emphasis on collaboration has led to the formation of 90 community-Indigenous partnerships, underscoring our dedication to inclusive and sustainable development practices.

As we look to the future, MMDF remains steadfast in our commitment to driving innovation, supporting economic growth, and fostering partnerships within the mineral development sector. We extend our gratitude to the Province of Manitoba for their ongoing support and collaboration, and we are eager to continue our efforts to build a thriving and sustainable future for Manitoba's mineral industry.

**CHUCK DAVIDSON**

*President & CEO, Manitoba Chambers of Commerce  
Chair, Manitoba Mineral Development Fund*



# ▶ MMDF BOARD OF DIRECTORS & APPLICATION REVIEW COMMITTEE

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## STAFF

MMDF staff are passionate about working in partnership with northern communities and industry to ensure communities benefit and risks are mitigated.



**EDWARD SUZUKI**  
*Program Manager*



**DONASKA MILLER**  
*Finance and Membership Coordinator*



**LALONNIE SHIMONKO**  
*Administrative Coordinator*

## BOARD OF DIRECTORS

With a wide range of expertise, the Board of Directors guides MMDF and sets the criteria used to assess funding proposals by MMDF's Application Review Committee.



**CHUCK DAVIDSON**  
*Chair / President & CEO of Manitoba Chambers of Commerce*



**KEVIN PLOEGMAN**  
*Partner, Fort Group*



**JAMIE DUMONT**  
*Principal, Chadwick Consulting LTD*



**MICHAEL WOELCKE**  
*CEO, Arctic of Gateway Group*



**COLLEEN SMOOK**  
*Mayor, City of Thompson*



**RICHARD TRUDEAU**  
*Director, HR, External & Indigenous Affairs HudBay Minerals*

**APPLICATION  
REVIEW  
COMMITTEE**

An eclectic, diverse group with in-depth knowledge of the challenges and opportunities that exist in northern Manitoba, the Application Review Committee assesses projects based on specific outcomes and characteristics set by MMDF's Board.



**CAL HUNTLEY**

*Chair / Former Mayor,  
City of Flin Flon*



**KATHY VALENTINO**

*Vice-Chair / Councillor,  
City of Thompson*



**TIM JOHNSTON**

*Manager, CF North  
Central Development*



**CHRIS THEVENOT**

*CEO, Communities Economic  
Development Fund*



**GLENN LAYCOCK**

*Executive Director, Northern  
Manitoba Sector Council (NMSC)*



**BECKY CIANFLONE**

*Executive Director, Community  
Futures Greenstone*



**ROB PENNER**

*Associate Vice President,  
Community and Industry Solutions,  
University College of the North*



**RON EVANS**

*President R.G. Evans  
Indigenous Solutions*



**BRIAN ROSS**

*Former Vice President,  
Gardewine Group*



# SELECTION CRITERIA

## APPLICATION PROCESS AND ELIGIBILITY CRITERIA

Applications for funding are evaluated based on key factors, including alignment with MMDF objectives, potential outcomes, location, feasibility, and viability. The MMDF Board has established specific criteria to guide the Application Review Committee in assessing projects against these objectives.

Eligibility for funding is extended to municipal or regional governments established under provincial statute, private sector entities (both for-profit and not-for-profit) registered under the Corporations Act to conduct business in Manitoba, and Indigenous organizations or communities represented by their leadership.

Projects seeking funding must be in northern Manitoba (north of the 53rd parallel) or relevant to and supportive of the mineral development industry. Additionally, they must demonstrate tangible economic benefits within a defined timeframe, such as job creation or enhancement, maintenance of current employment levels, or incremental income generation for businesses and government revenues.

CRITERIA	DESCRIPTION
<b>Location</b>	<ul style="list-style-type: none"><li>• Location in proximity to key infrastructure</li><li>• Context of site and proximity to surrounding community</li></ul>
<b>Local procurement</b>	<ul style="list-style-type: none"><li>• Evidence that supplies, rentals, accommodations for the project will be sourced locally</li></ul>
<b>Local employment</b>	<ul style="list-style-type: none"><li>• Number of local short-term employment opportunities created</li></ul>
<b>Opportunities for community engagement or partnerships</b>	<ul style="list-style-type: none"><li>• Initial consultations or engagement with the community will be done and there are opportunities for future community partnerships</li></ul>
<b>Historic results</b>	<ul style="list-style-type: none"><li>• Evidence of historic explorations expenditures for the site along with technical results</li></ul>
<b>Incremental activities</b>	<ul style="list-style-type: none"><li>• Evidence that the proposed project activities are incremental in nature (e.g. investment in new technology, mobilization of staff or additional equipment, etc.)</li></ul>

## 2023 APPLICATION INTAKE DATES

- January 3, 2023
- March 7, 2023
- May 2, 2023
- September 5, 2023
- November 7, 2023

Applications are assessed based on the project's overall alignment with MMDF's objectives and the project's potential outcomes, feasibility, and viability.

# ▶ APPLICATION PROCESS



## APPLICATION

1. Determine appropriate application
2. Complete draft application
3. MMDF staff reviews application and provides feedback



## APPROVAL

1. Application Review Committee reviews the application
2. Application Review Committee makes a recommendation for approval
3. Board provides final approval for the project



## AGREEMENT

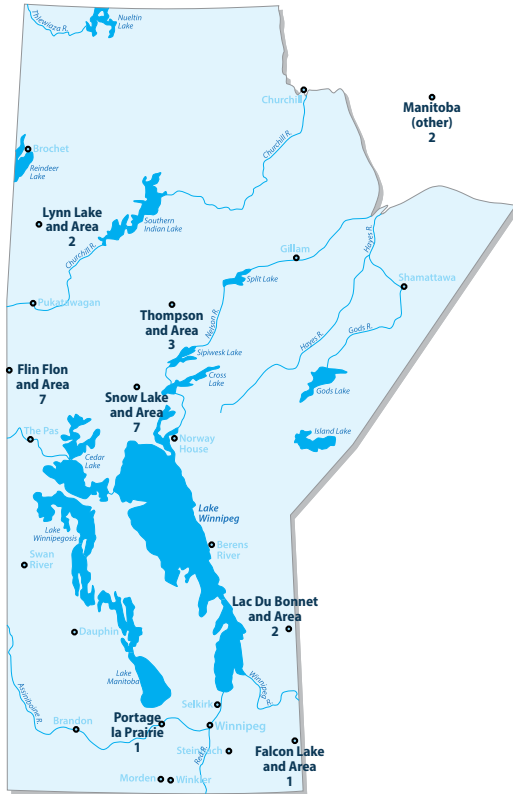
1. Contribution agreement entered into between MMDF and proponent
2. Schedule for project monitoring established
3. Grant issuance based on project performance





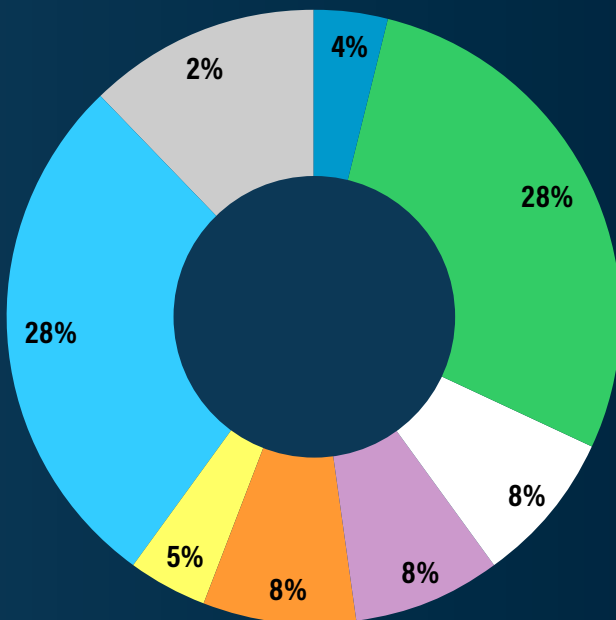
# 2023 PROGRAM HIGHLIGHTS

## PROJECTS BY REGION



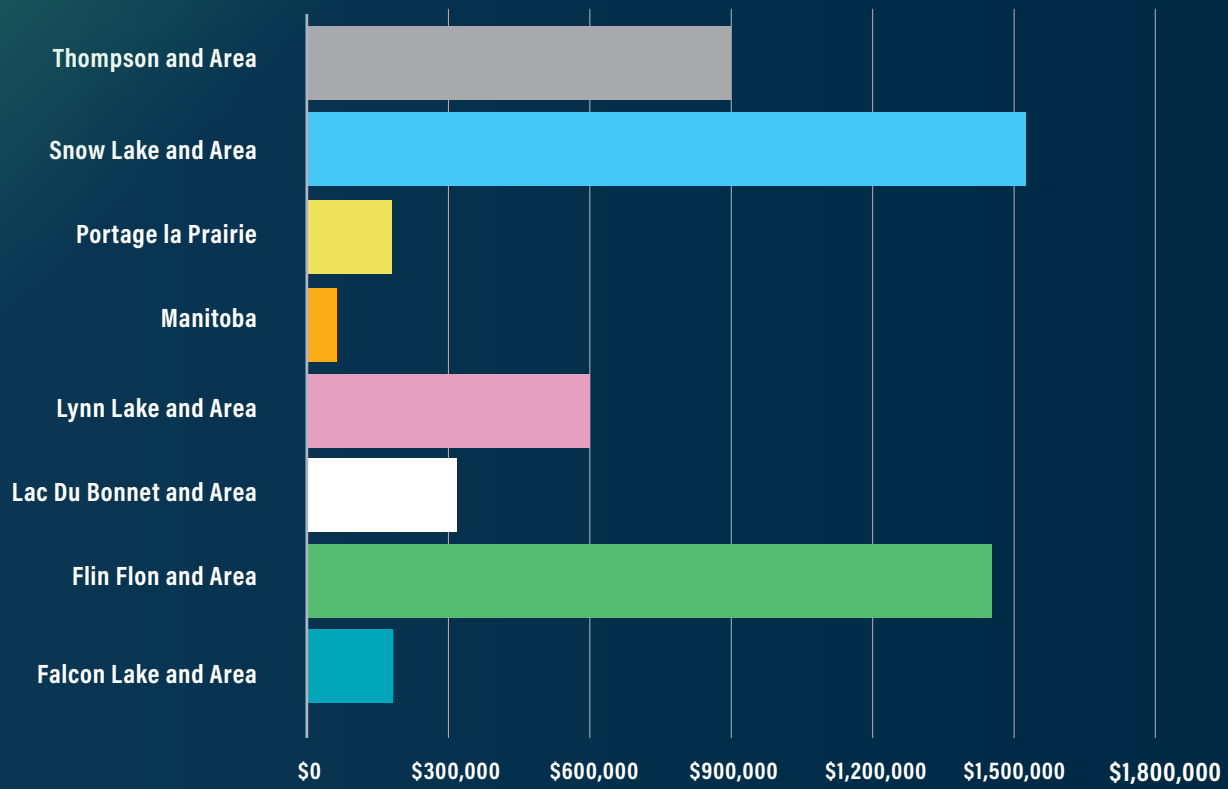
- Falcon Lake and Area - 1
- Flin Flon and Area - 7
- Lac Du Bonnet and Area - 2
- Lynn Lake and Area - 2
- Portage la Prairie - 1
- Snow Lake and Area - 7
- Thompson and Area - 3
- Other - 2

## APPLICATIONS BY ECONOMIC AREA

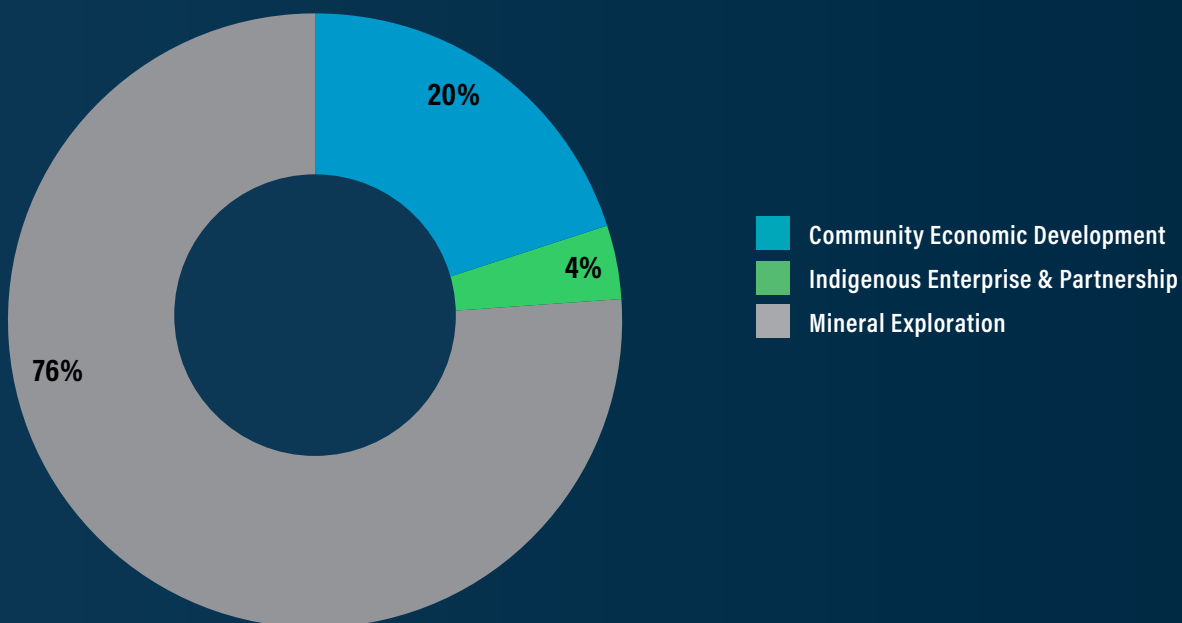


- Falcon Lake and Area
- Flin Flon and Area
- Lac Du Bonnet and Area
- Lynn Lake and Area
- Manitoba
- Portage la Prairie
- Snow Lake and Area
- Thompson and Area

## PROJECT FUNDING BY ECONOMIC AREA

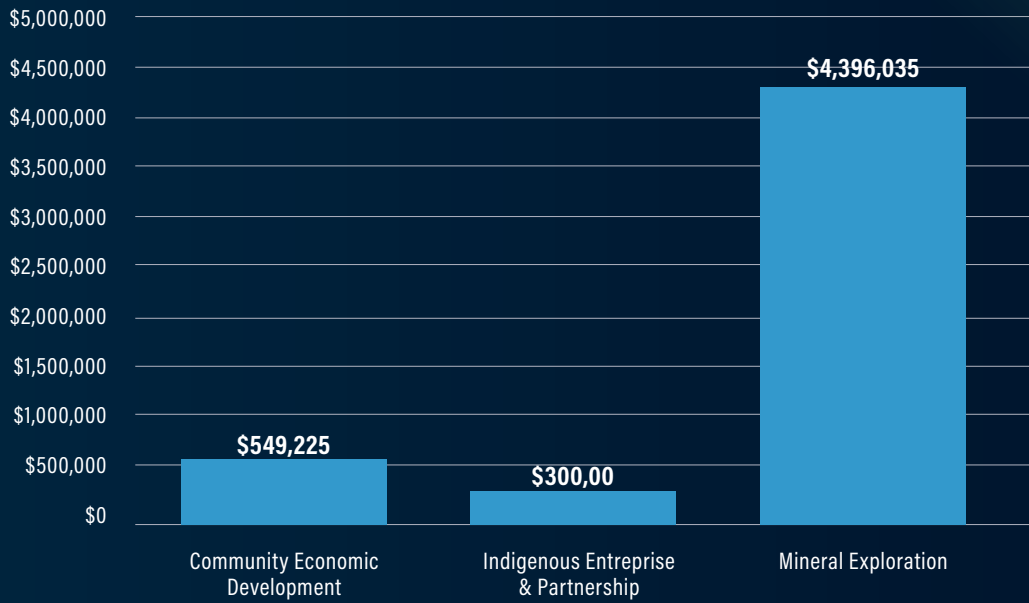


## APPROVED APPLICATIONS BY PROJECT TYPE

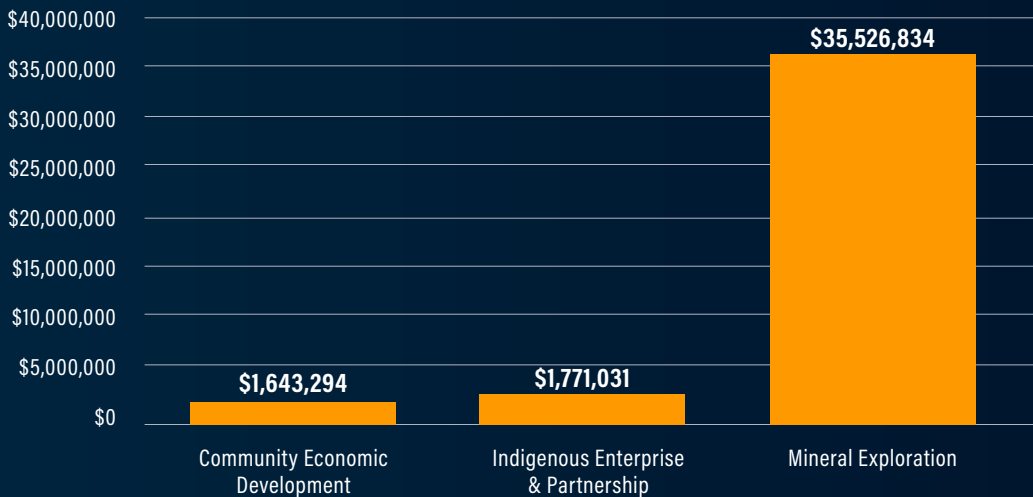




## APPROVED FUNDING BY PROJECT TYPE



## TOTAL PROJECT COST BY APPLICANT TYPE



*Note: Data is categorized in accordance with the Province of Manitoba's Self-Contained Labour Areas (in the Southeast Economic Region) and Economic Areas (in the Northern Economic Region). Definitions of each area can be found in Appendix A.*

# 2023 APPROVED PROJECTS

2023 marks another significant year of investment and development supported by MMDF. With a commitment to fostering innovation, sustainability, and economic growth in the mineral exploration and mining sector, MMDF approved funding to support a diverse range of projects aimed at enhancing exploration activities, supporting local communities, and driving forward the province's mineral resource potential.

## MINERAL EXPLORATION AND INNOVATION PROJECTS

COMPANY NAME	PROJECT STATUS	APPROVED FUNDING
Callinex Mines	Complete	\$500,000
Canadian Gold Corporation	In Progress	\$300,000
Exiro Minerals	Complete	\$56,250
Foremost Lithium (Jean Lake)	Complete	\$300,000
Foremost Lithium (Zoro Lake)	In Progress	\$300,000
Garner Gold Mines Inc.	In Progress	\$12,500
Grid Metals Corporation	In Progress	\$195,000
Kenorland Minerals	In Progress	\$300,000
King Global Ventures	In Progress	\$65,862
Lake Winn Resources Corporation	In Progress	\$210,000
Leeuwin Metals	In Progress	\$300,000
Lodestar Battery Metal Corporation	In Progress	\$123,723
Major Oil & Gas	In Progress	\$195,000
New Age Metals	In Progress	\$300,000
NiCAN Limited	Complete	\$600,000
NiCAN Limited	In Progress	\$300,000
Rockcliff Metals	Completed	\$225,000
T2 Metals Corporation	In Progress	\$212,700
Willeson Metals	In Progress	\$300,000
Wolfden Resources Corporation	In Progress	\$200,000
<b>TOTAL</b>		<b>\$ 4,996,035</b>



## INDIGENOUS ENTERPRISE AND PARTNERSHIPS

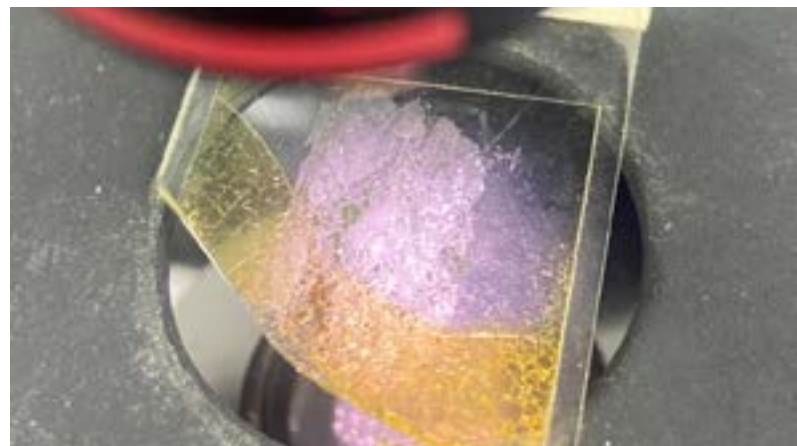
COMPANY NAME	PROJECT STATUS	APPROVED FUNDING
Norway House Cree Nation Phase 2 Exploration Camp	In Progress	\$300,000
<b>TOTAL</b>		<b>\$300,000</b>



## COMMUNITY ECONOMIC DEVELOPMENT

COMPANY NAME	PROJECT STATUS	APPROVED FUNDING
Town of Lynn Lake	In Progress	\$300,000
The City of Flin Flon	In Progress	\$58,336
Bit Space Development Ltd	Complete	\$162,000
Manitoba Prospectors Developers Association	In Progress	\$28,890
<b>TOTAL</b>		<b>\$549,226</b>

For detailed information on all projects listed above, please see Appendix B.





## INDIGENOUS ENTERPRISE AND PARTNERSHIPS

### Norway House Cree Nation Expands Economic Horizons with MMDF

#### A Model for Sustainable Mining Partnerships

Norway House Cree Nation (NHCN) is one of the largest Indigenous communities in Manitoba with a population of over 9,000 individuals. It is a progressive Nation that emphasizes quality health care, education, and a safe environment for its members. NHCN actively pursues economic development initiatives to provide for greater independence and sustainability for their community.

The purchase of a mining camp, with financial assistance from MMDF, is an important project NHCN. It initiated an increase in job opportunities for their members and created additional revenue streams for the community.

*"The MMDF allowed us to initiate the purchase of equipment and housing to become true partners in mineral exploration on traditional lands. This will create many job opportunities for our people. Our partnership with the Manitoba Chambers of Commerce, through the MMDF program, enables us to bridge the gap between resource development and First Nations."*

**Chief Larson Anderson, Norway House Cree Nation**

It is their intention to use their investment in the camp as a catalyst for creating mutually beneficial, on-going relationships with mining companies working in the North. They provide a range of training for their employees, with many skills being transferrable to other roles and to life in general. NHCN intends to become a model for other organizations of how to successfully manage and market both mining assets and human resources. They will do all this while ensuring the protection of the environment remains a top priority.

#### ANTICIPATED OUTCOMES

Short Term Jobs: **30**

Long Term Jobs: **60**

Dollars Leveraged: **\$1,471,031**

Community-Industry Partnerships: **12**

## COMMUNITY ECONOMIC DEVELOPMENT

### MMDF Boosts Mineral Identification Innovation Bit Space Development Ltd Redefines Mining Exploration with AI Integration

Bit Space Development Ltd, also known as BSD XR, is an award-winning, interactive digital media company based in Winnipeg, Manitoba. They work with organizations globally to develop extended reality (XR) systems that prioritize user-friendliness and accessibility. Recognizing an untapped opportunity within the mining industry, BSD XR leveraged computer vision and artificial intelligence (AI) to revolutionize mineral identification from historical exploration thin slices, some dating back to the 1930s. With a contribution of \$162,000 from MMDF, BSD XR embarked on a groundbreaking project focused on developing a comprehensive database for mining discoveries and a corresponding training tool for interested stakeholders.

*"MMDF has played a pivotal role in empowering BSDXR with the necessary resources to significantly enhance our AI workflows and product development strategies. This support has not only facilitated a deeper exploration into innovative AI technologies but also enabled us to implement cutting-edge solutions that were previously beyond our reach. Through the fund's backing, we've been able to accelerate our research and development efforts, allowing us to push the boundaries of what's possible in AI and deliver more advanced and efficient solutions to our clients. The collaboration with MMDF has been a cornerstone in our journey towards innovation and excellence in the AI domain."*

**Daniel Blair, CTO & Founder, BSD XR**

Their computer-driven mineral identification process represents a significant advancement in geological studies. It 'democratizes' assessment of the slices in that traditionally, assessment required specialized equipment, a skilled technician and lengthy experience to be able to accurately interpret the slices. The original process was time consuming and costly. The process developed by BSD XR will reduce costs and time while improving accuracy.

In the words of Dan Blair, Founder and Chief Technology Officer of BSD XR – their top priority as an organization is to make positive progress. Indeed, they have.

#### ANTICIPATED OUTCOMES

Short Term Jobs: **6**

Long Term Jobs: **4**

Dollars Leveraged: **\$377,700**

Community-Industry Partnerships: **2**



## MMDF BOOSTS FOREMOST LITHIUM

### Leading the Charge in Ethical Battery-Grade Lithium Production

Foremost Lithium Resource & Technology is empowering the electric vehicle (EV) revolution. International energy organizations forecast that the number of EVs on the road will surpass 144 million by the year 2030. Government policies, environmental regulations, and steadily increasing consumer adoption continue to drive sales. EVs produce much lower greenhouse gas emissions than vehicles powered by fossil fuels and lithium is an integral component of the electric batteries used to power EV vehicles.

*"It is extremely difficult to compete in the critical mineral space because of the high degree of subsidization other countries provide to their mining organizations. Canada is a global mineral leader, but it is still comparatively small. The financial support provided through MMDF was invaluable and greatly appreciated. Manitoba is doing a great job of supporting mining in our province."*

**Christina Barnard, COO, Foremost Lithium**

Foremost Lithium is a hard-rock lithium exploration company with projects in Snow Lake, Manitoba and in Quebec. Their intention is to play a growing role in ethically produced battery-grade lithium hydroxide. Foremost has made significant progress in identifying and quantifying lithium resources in Manitoba, with support from MMDF. They plan on continuing to bring economic benefits to the northern communities in which they work, principally by hiring local contractors wherever possible and by patronizing local establishments.

#### ANTICIPATED OUTCOMES

Short Term Jobs: **6**

Long Term Jobs: **4**

Dollars Leveraged: **\$8,780,850**

Community-Industry Partnerships: **2**



# ▶ AWARENESS AND OUTREACH

In addition to general program operations, MMDF took part in several activities in 2023 to improve the Fund's impact in partnership with key organizations in the north. The following conferences and trade shows are just a few of the events MMDF participated in with the goal of raising awareness for the fund.







*Kathy Valentino, Colleen Smook, and Jaime Grant, MMDF Board and Application Review Committee*

## CANADA MINERAL EXPLORATION CONVENTION (CCMEC)

In November 2023, MMDF staff attended the Central Canada Mineral Exploration Convention (CCMEC) in Winnipeg, Manitoba. The event, hosting approximately 700 industry professionals, featured global speakers and diverse stakeholders. Keynote sessions covered topics like zero-emission vehicle supply chains and environmental, social, and governance (ESG) in mineral resource sectors.

## MANITOBA ENVIRONMENT INDUSTRY ASSOCIATION (MEIA) CLEANTECH CONFERENCE

The MMDF team participated in the 2023 MEIA Cleantech Conference hosted in Winnipeg on November 22, 2023. The event highlighted innovative solutions for climate mitigation and enhancing business profitability through sustainability. With the theme "Business and the Environment, Growing Together," the conference emphasized the necessity for businesses to integrate sustainable practices. MMDF sponsored a breakout session, contributing to the dialogue on sustainable business practices.







*Chuck Davidson, MMDF Board Chair, and the Honourable Dan Vandal, Member of Parliament*



*Ryan Mebbs, Callinex Mines, and Chuck Davidson, MMDF Board Chair*

## **PROSPECTORS DEVELOPERS ASSOCIATION CANADA (PDAC) 2023**

Representatives from MMDF participated in the PDAC conference in Toronto, focusing on mineral exploration and development. PDAC, known as the industry's largest event, attracted over 1,100 exhibitors, 2,500 investors, and 23,000 attendees worldwide. As the leading voice of the mineral exploration and development community, PDAC supports a sector employing 719,000 individuals and contributing \$106 billion to Canada's GDP annually. The conference featured the Manitoba Reception, highlighting over 60 firms investing in mineral exploration within the province.



## 2023 TESTIMONIALS

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### BWR EXPLORATION

*"I am grateful to MMDF for their support of our Little Stull Lake Gold Project in northeastern Manitoba. It is an excellent example of how industry and the government can work together to provide development opportunities in Manitoba for mining and mineral exploration. We believe that the Oxford-Stull terrain of the Precambrian Shield in NE Manitoba is under-explored using modern exploration techniques and there is much more mineral potential to be outlined, having this award of funds from MMDF further supports the quality of our flagship, Little Stull Lake Project, that could conceivably provide the foundation of a mineral exploration partnership with First Nation communities in the region."*

—NEIL NOVAK, President, BWR Exploration

### T2 METALS

*"T2 Metals Corp are a new explorer in Manitoba and are excited about the prospectivity and opportunity of the province. We are grateful to MMDF for their support of our Sherridon copper project, and we look forward to continuing the discovery process in collaboration with all rights holders and stake holders. MMDF is a great example of how Manitoba is supporting mining, and working closely with the mining industry to ensure the metals essential for the energy transition are available."*

—MARK SAXON, President & CEO, T2 Metals Corporation

### GRID METALS

*"We are grateful to MMDF for their support of our Falcon West Lithium Project. It is an excellent example of how industry and the government can work together to provide development opportunities in Manitoba for mining and mineral exploration. We believe that the Falcon West area is underexplored and holds great potential for lithium resources. This award of funds will greatly assist our exploration efforts and further validates our Falcon West project."*

—ROBIN DUNBAR, President, Grid Metals Corporation

### LEEWIN METALS

*"I am grateful to MMDF for their support of the William Lake Nickel Project. It is an excellent example of how industry and the government can work together to promote further investment in Manitoba for mineral exploration. We believe that the William Lake Nickel Project is a significant Nickel project within the Thompson Belt, and receiving this funding award enables Leeuwin to advance our exploration efforts."*

—CHRISTOPHER PIGGOTT, Managing Director, Leeuwin Metals



**MANITOBA MINERAL DEVELOPMENT FUND PROGRAM**  
**FINANCIAL STATEMENT**  
**DECEMBER 31, 2023**



## INDEPENDENT AUDITOR'S REPORT

To Board of Directors of  
MMDF Corporation

### Report on the Audit of the Financial Statement

#### Opinion

We have audited the statement of funding available and expenditures of the Manitoba Mineral Development Fund Program (the "Program") for the year ended December 31, 2023 and notes to the statement of funding available and expenditures, including a summary of significant accounting policies (collectively referred to as the "financial statement").

In our opinion, the accompanying financial statement presents fairly, in all material respects, the funding available and expenditures of the Program as at December 31, 2023 and for the year then ended in accordance with the basis of accounting disclosed in Note 2 to the financial statement.

#### Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statement* section of our report. We are independent of the Program in accordance with the ethical requirements that are relevant to our audit of the financial statement in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Emphasis of Matter - Basis of Accounting and Restriction on Use and Distribution

Without modifying our opinion, we draw attention to Note 2 to the financial statement, which describes the basis of accounting. The financial statement is prepared by management of The Manitoba Chambers of Commerce, the Program's administrators, to provide information relating to the funding available and expenditures as at December 31, 2023 and for the year then ended pursuant to the Program. As a result, the financial statement may not be suitable for any other purpose. The financial statement and our independent auditor's report thereon are intended solely for use by management and the Board of Directors of The Manitoba Chambers of Commerce and MMDF Corporation, as administrators of the Program, and the Government of Manitoba, specifically the Minister of Natural Resources and Northern Development and should not be used by or distributed to parties other than management and the Board of Directors of The Manitoba Chambers of Commerce, MMDF Corporation and the Government of Manitoba.

#### Responsibilities of Management and Those Charged with Governance for the Financial Statement

Management is responsible for the preparation and fair presentation of the financial statement in accordance with the basis of accounting disclosed in Note 2 to the financial statement, for ensuring the basis of accounting used is appropriate in the circumstances, and for such internal control as management determines is necessary to enable the preparation of a financial statement that is free from material misstatement, whether due to fraud or error.

In preparing the financial statement, management is responsible for assessing the Program's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Program or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing management's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Financial Statement**

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial statement.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Program's internal control.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Program's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Program to cease to continue as a going concern.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates, if any, and related disclosures made by management.
- Evaluate the overall presentation, structure and content of the financial statement, including the disclosures, and whether the financial statement represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

May 6, 2024  
Winnipeg, Canada



Chartered Professional Accountants

# MANITOBA MINERAL DEVELOPMENT FUND PROGRAM

Statement of Funding Available and Expenditures

For the year ended December 31, 2023

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	2023	2022
<b>Funding Available:</b>		
Funding available, beginning of year	\$ 17,354,854	\$ 21,252,310
Contributions received during the year (Note 4)	326,150	210,000
Net investment income - realized (Note 5)	931,395	480,534
	<hr/>	<hr/>
	18,612,399	21,942,844
<b>Expenditures:</b>		
Administration fees (Note 3(c))	275,000	300,000
Grants	3,396,012	2,334,249
	<hr/>	<hr/>
	3,671,012	2,634,249
Funding available, end of year before unrealized gain (loss) on investments	14,941,387	19,308,595
Unrealized gain (loss) on investments (Note 5)	691,505	(1,953,741)
	<hr/>	<hr/>
Funding available, end of year (Note 5)	\$ 15,632,892	\$ 17,354,854
Subsequent events (Note 5)		
Commitments (Note 6)		

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See accompanying notes to financial statement.

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# MANITOBA MINERAL DEVELOPMENT FUND PROGRAM

Notes to Financial Statement

For the year ended December 31, 2023

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## 1. Nature of the Fund

Manitoba Mineral Development Fund is an economic development program (the "Program") established by the Government of Manitoba to support strategic projects that contribute to sustainable economic growth by capitalizing on mineral potential and other existing assets. During the year ended December 31, 2019, the Government of Manitoba made an initial contribution of \$20,000,000 to establish this Program with The Manitoba Chambers of Commerce administering the Program on behalf of the Government of Manitoba until February 20, 2020, at which time MMDF Corporation ("MMDF") was incorporated under *The Canada Not-for-Profit Corporations Act* to administer the Program pursuant to the agreement with the Government of Manitoba dated March 31, 2019. The Program had an initial term of three years commencing March 31, 2019 and expiring March 31, 2022. During the year ended December 31, 2022, MMDF entered into a new agreement with the Government of Manitoba to extend the program for another three year term commencing April 1, 2022 and expiring March 31, 2025. MMDF receives an administration fee to administer the Program on behalf of the Government of Manitoba (see Note 3(c)).

## 2. Basis of accounting

The financial statement is prepared with funding available including funding received during the year adjusted for any excess or deficiency of funding over expenditures from the prior year plus any realized net investment income during the year. Funding available end of year is also adjusted to include any unrealized gains (losses) on investments as at year end including any foreign exchange gains (losses) in order for the value of the fund to include the performance of the investment portfolio during the year. Contributions received are recorded on the cash basis. Expenditures are recorded on the cash basis in accordance with the significant accounting policies disclosed below.

## 3. Significant accounting policies

The financial statement is prepared in accordance with the basis of accounting disclosed in Note 2 using the following significant accounting policies:

(a) Investments

MMDF is responsible for investing and managing the funds according to investment policies, standards and procedures that a prudent investor would exercise when making investment decisions regarding property of others. These investments are measured at fair value. See Note 5 for additional information relating to the investment portfolio and performance during the year.

(b) Program expenditures - grants

Approvals and authorization for grant expenditures pursuant to the Program is the responsibility of MMDF in accordance with Schedule A and Schedule B of the Agreement with the Government of Manitoba.

(c) Administration fees

Administration fees are based on certain eligible expenditures included in the Agreement between The Government of Manitoba and The Manitoba Chambers of Commerce originally dated March 31, 2019 and updated effective April 1, 2022. Total administration fees paid by the Program to MMDF for the year ended December 31, 2023 were \$275,000 (2022 - \$300,000) and will be recognized in MMDF when the eligible expenditures are incurred. Any deferred amounts in MMDF are payable back to the Program if not used by MMDF for eligible administration expenses in the future. As at year end, the total deferred administration fees in MMDF were \$17,675 (2022 - \$40,875).

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# MANITOBA MINERAL DEVELOPMENT FUND PROGRAM

Notes to Financial Statement

For the year ended December 31, 2023

## 4. Contributions

During the year ended December 31, 2023, the Program received contributions of \$326,150 (2022 - \$210,000) from the Government of Manitoba based on mining tax credits earned.

## 5. Funding available end of year

Funding available as at December 31 is comprised of the following:

	2023	2022
Cash	\$ 754,508	\$ 454,181
Investments:		
Fixed income	2,915,340	2,630,962
Equity	6,689,671	7,907,755
Mutual funds	5,273,373	6,361,956
	14,878,384	16,900,673
	\$ 15,632,892	\$ 17,354,854

As at December 31, 2023 the total cost of the investment portfolio, including cash, is \$14,846,902 (2022 - \$18,009,138). The total foreign investments included in the totals above are \$3,970,701 (2022 - \$5,219,586).

Realized net investment income for the year ended December 31 is comprised of the following:

	2023	2022
Interest income	\$ 69,598	\$ 38,306
Dividends	148,812	213,942
Other income	289,633	274,464
Realized gain on disposal of investments	515,037	55,416
Less: Investment management fees	(91,685)	(101,594)
	\$ 931,395	\$ 480,534

Unrealized gain (loss) on investments as at year end is comprised of the following:

	2023	2022
Reversal of prior year change in market value of investments	\$ 213,015	\$ (2,020,020)
Current year change in market value of investments	359,960	(213,015)
Foreign exchange gain	118,530	279,294
	\$ 691,505	\$ (1,953,741)

Subsequent to year end, there has been an improvement in the market value of the investment portfolio of \$14,878,384 (2022 - \$16,900,673) disclosed above. After withdrawals of \$1,009,875 (2022 - \$668,000) from the portfolio subsequent to year end, the market value as at February 29, 2024 is \$14,381,682 (February 28, 2023 - \$16,927,974).

## 6. Commitments

As at year end, MMDF has approved grants of \$3,314,283 (2022 - \$1,508,000). These grants will be expensed in the year paid in accordance with the basis of accounting.

# APPENDIX A

## NORTHERN REGION

### Thompson and Area

Bunibonibee Cree Nation  
Cross Lake (Incorporated Community)  
Cross Lake Band  
Garden Hill First Nations  
God's Lake First Nation  
Gods Lake Narrows  
Ilford  
Island Lake  
Manto Sipi Cree Nation  
Mystery Lake (Local Government District)  
Nelson House (Incorporated Community)  
Nisichawayasihk Cree Nation  
Norway House

Norway House Cree Nation  
Pitwitonei  
Red Sucker Lake  
Red Sucker Lake First Nation  
St. Theresa Point First Nation  
Tataskweyak Cree Nation  
Thicket Portage  
Thompson (City)  
Wabowden  
War Lake First Nation  
Wasagamack First Nation  
York Factory First Nation

### Flin Flon and Area

City of Flin Flon

### Snow Lake and Area

Town of Snow Lake

### Churchill and Area

Barren Lands First Nation  
Brochet  
Churchill (Town)  
Northlands Denesuline First Nation  
Sayisi Dene First Nation

### Lynn Lake and Area

Lynn Lake (Town)  
Marcel Colomb First Nation

## SOUTHEAST REGION

### Powerview Pine Falls

Municipality of Alexander  
Rural Municipality of Powerview-Pine Falls  
Municipality of Victoria Beach  
Sagkeeng First Nations  
Little Grand Rapids First Nation

Bloodvein First Nation  
Hollow Water First Nation  
Black River First Nation  
Poplar River First Nation  
Berens River First Nation  
Pauingassi First Nation

### Lac du Bonnet Self Contained Labour Area

Town of Lac du Bonnet  
Municipality of Lac du Bonnet  
Municipality of Whitemouth  
Local Government District of Pinawa



# APPENDIX B

## MANITOBA MINERAL DEVELOPMENT FUND 2023 PROJECT OVERVIEW

### MINERAL EXPLORATION AND INNOVATION

#### Callinex Mines

Callinex Mines secured \$500,000 from MMDF to fund a drilling program at the Pine Bay site, situated 16 km from Flin Flon. The initial phase of this campaign will cover up to 10,000 meters of drilling, with a specific focus on the Rainbow and Alchemist deposits. The successful completion of this drilling and exploration effort is expected to pave the way for the development of a new mine. In addition to this exciting development, Callinex recently concluded a brokered private placement offering, raising approximately \$9.4 million in gross proceeds.

**Status: Complete**

#### Canadian Gold Corporation

MMDF has allocated \$300,000 to Canadian Gold Corporation to enhance the high-grade gold resource at the previously operational Tartan Mine in the Flin Flon area. The project focuses on drilling to expand the high-grade gold mineralization of the Main Zone to deeper levels. Advanced exploration targets, situated near the mine's infrastructure, are at a drill-ready stage. Several targets have been identified, including a potential southwest extension of the Tartan Mine, aiming to establish the potential for a new mine in the Flin Flon area following the closure of the 777 Mine.

**Status: In Progress**

#### Exiro Minerals

Exiro Minerals received \$56,250 from MMDF to investigate potential new metal discoveries in Manitoba. The project involves researching paper documents for previously unassayed rock types, minerals, and geochemistry. This exploration involves semantic search of scanned paper data followed by field follow-up. Notably, Exiro Minerals has recently announced the favorable outcomes of a Phase 1 exploration program conducted south of Lynn Lake, Manitoba, leading to the establishment of Willenson Metals.

**Status: Complete**

#### Foremost Lithium

Foremost Lithium has received \$300,000 in support from MMDF for their exploration project at the Jean Lake property, located near Snow Lake. The project aims to test known extensions of lithium-bearing pegmatite through a comprehensive program, including drone magnetic surveys, prospecting, magnetic anomalies, and soil geochemical surveys. The objective is to pinpoint substantial concentrations of lithium-bearing pegmatite and convert the spodumene content (Li<sub>2</sub>O) into lithium hydroxide.

**Status: Complete**

#### Foremost Lithium

Foremost Lithium secured \$300,000 in funding from MMDF to bolster their exploration project at the Zoro property in the Snow Lake area. The company has identified lithium dykes on their land and aims to conduct infill drilling to precisely assess lithium volumes, a crucial step in determining the resources' value and definition.

**Status: In Progress**

#### Garner Gold Mines Inc.

Garner Gold Mines Inc holds three mining claims covering 704 hectares of proven gold-rich land in Garner Lake, Manitoba. MMDF has allocated \$12,500 to assist Garner Gold Mines in identifying and assessing heritage resources near Garner Lake, which may be affected by future development. This funding will facilitate archaeological fieldwork conducted by qualified professionals. Upon obtaining required permits, the company will commence a drilling program.

**Status: In Progress**

## Grid Metals Corporation

MMDF has allocated \$195,000 to Grid Metals for the implementation of a diamond drill program in the Lac Du Bonnet area, with the goal of advancing a newly acquired lithium showing in southeast Manitoba. Prior to commencing the drill program, preparatory activities including site preparation and drilling location selection will take place. The primary aim is to further delineate the existing lithium-bearing pegmatites in the region, increasing the known quantity through additional drilling.

**Status: In Progress**

## Kenorland Minerals

Kenorland Minerals received \$300,000 from MMDF to fund their South Thompson Project. The primary goal is to assess potential mineral deposits within the Precambrian basement rocks of the Thompson Nickel Belt. After acquiring and analyzing geophysical data, the project will transition to the drilling phase. Exploration efforts will be concentrated in targeted zones, with a focus on both new and previously untested locations identified through geophysical anomalies.

**Status: In Progress**

## King Global Ventures

King Global Ventures received \$65,862 from MMDF for a drilling exploration project at their Dion Lake site in the Snow Lake region. The company is in the early phases of lithium exploration, conducting fieldwork with rock, chip, and soil samples, as well as airborne geophysics. Their plan involves interpreting the gathered data to establish a geological model and pinpoint targets for subsequent groundwork.

**Status: In Progress**

## Lake Winn Resources Corporation

Lake Winn Resources received \$210,000 from the MMDF for the implementation of a follow-up drill program on their orogenic gold deposits within the Cloud Project. Situated in the Flin Flon Metallogenic gold belt, the project has shown promising results from historic grab rock samples, indicating high gold grades. To further develop these findings and work towards establishing a gold resource, additional drilling is necessary. The 2023 exploration program will encompass 2,500 meters of core drilling, aiming to advance the Cloud Project.

**Status: In Progress**

## Leeuwin Metals

Leeuwin Metals received \$300,000 from MMDF for their William Lake Nickel Project situated in the Thompson Nickel Belt. This project stands as their flagship asset, focusing on the exploration of high-grade Nickel, Copper, and PGE mineralization hosted in sulphides. In its early exploration stages, the William Lake project aligns with the company's dedication to securing critical metals essential for the progress of electric vehicles and renewable energy.

**Status: In Progress**

## Lodestar Battery Metal Corporation

Lodestar Battery Metal Corporation received \$123,723 from MMDF to bolster their exploration project encompassing the Snow Lake properties – Peny and Peny East. This project is multifaceted, encompassing an airborne survey, surface sampling, and drill testing. The primary aim is to identify exploration targets within both properties, prioritize these targets through subsequent sampling, and execute drill tests on priority targets. The objective is to establish mineral prospects that can contribute to the development of a resource base.

**Status: In Progress**

## Major Oil & Gas

Major Oil and Gas received \$195,000 from MMDF to concentrate on helium exploration. With mineral leases secured in the Portage la Prairie area, the company plans to explore, develop, and refine helium resources. Their immediate objective is to drill a test well for helium, with plans to proceed with follow-up drilling in 2024 if successful.

**Status: In Progress**

## New Age Metals

New Age Metals received \$300,000 from MMDF for the implementation of a comprehensive exploration field program in the Lac Du Bonnet area. The initiative is geared towards defining historical showings, locating buried pegmatites, and identifying new targets. The project entails the utilization of multiple survey grids to delineate and prioritize drill targets, with the ultimate goal of advancing additional lithium projects to a drill-ready stage.

**Status: In Progress**

## NiCAN Limited

NiCAN received \$300,000 from MMDF to bolster their exploration drilling project on the Wine property in the Snow Lake area, highlighting the region's potential for nickel, a vital metal in battery technology and other applications. NiCAN has recently concluded an airborne and downhole geophysical survey at their Wine Property, along with a 17-diamond drill hole program aimed at testing the Wine Occurrence and seven other nearby anomalies.

**Status: Complete**

## NiCAN Limited

NiCAN received \$300,000 from MMDF to support their drill exploration nickel project on the Wine property, situated near Snow Lake. NiCAN has pinpointed multiple targets from their previous projects and intends to identify more through an Electromagnetic (EM) survey. The company plans to execute 10-20 drill holes, adjusting the number based on their discoveries.

**Status: In Progress**

## Rockcliff Metals

Rockcliff Metals received \$225,000 from MMDF to advance the exploration of their high-grade copper-zinc resource base. The primary focus is on expanding and enhancing their advanced-stage deposits in the Snow Lake area, thereby bolstering the local capacity through increased exploration endeavors in the region. Concurrently, efforts are being made to foster stronger relationships with local First Nation partners and communities.

**Status: Complete**

## T2 Metals Corporation

The MMDF has allocated \$300,000 to T2 Metals Corporation to bolster a drilling campaign with a focus on copper and base metal projects, notably the Sherridon Mining Camp in the Flin Flon-Snow Lake district. The primary target is a volcanogenic-hosted massive sulfide (VHMS) deposit enriched in copper, zinc, lead, silver, and gold. T2 Metals' aim is to augment both the size and confidence of previously identified mineral resources. The objective is to optimize these resources before considering mine development, capitalizing on the existing infrastructure in the area.

**Status: In Progress**

## Willeson Metals

Willeson Metals is committed to acquiring, exploring, and developing top-tier gold and critical mineral projects in Manitoba. With this vision in mind, MMDF is investing \$300,000 into Willeson Metals' drill program at the Beaucage Property. Positioned along the contact of the Lynn Lake Volcanic Belt and Kisseynew Gneissic Basin, this property spans an expansive 5,888 hectares, primarily targeted for gold exploration. The company's strategy revolves around verifying, validating, and expanding upon the limited historical work conducted on the project.

**Status: In Progress**

## Wolfden Resources Corporation

Wolfden Resources is set to receive \$200,000 from MMDF to bolster their Rice Lake Island project. This initiative includes conducting a geophysical survey, followed by a 1,500-meter diamond drilling program spanning approximately 5-7 drill holes. Situated in west-central Manitoba, 10 km southeast of the Town of Snow Lake, the project aims to uncover a new, potentially open-pit mine, precious metal-enriched Ni-Cu-Au-Pd-Pt deposit.

**Status: In Progress**

### ANTICIPATED OUTCOMES

Short Term Jobs: **94**

Long Term Jobs: **44**

Dollars Leveraged: **\$31,130,799**

Community-Industry Partnerships: **76**



## INDIGENOUS ENTERPRISE AND PARTNERSHIPS

### Norway House Cree Nation Phase 2 Exploration Camp

MMDF has allocated \$300,000 to the Norway House Cree Nation (NHCN) to aid in the acquisition and operation of a 49-person exploration camp in the Thompson region. Building on the success of a previously purchased 24-person exploration camp, which created local job opportunities and benefited neighboring communities, this project underscores NHCN's commitment to fostering relationships and supporting mineral exploration on their traditional lands. Essential services such as food provision, camp support, and fuel delivery are being offered by NHCN, reflecting the community's dedication to sustainable economic development and collaboration in the mineral exploration sector.

**Status: In Progress**



## COMMUNITY ECONOMIC DEVELOPMENT

### Town of Lynn Lake

The Town of Lynn Lake is receiving \$300,000 from MMDF to support the recertification and rehabilitation of Lynn Lake Airport. Presently serving diverse functions such as air ambulance services and mine site surveys, the airport seeks to elevate safety standards to attain registered aerodrome status. This certification is pivotal for enabling scheduled air service and unlocking potential federal funding for sustained operations. The rehabilitation marks the first phase of a three-step project aimed at achieving airport certification.

**Status: In Progress**

### The City of Flin Flon

The City of Flin Flon is receiving \$58,336 from MMDF for two pivotal projects. The first project entails the development of a comprehensive 50-year community plan through robust community and stakeholder engagement. This initiative aims to establish a long-term vision, tackle challenges, and capitalize on opportunities for sustainable growth. The second project focuses on creating a campground area masterplan to harness tourism potential, drive economic revitalization, and elevate campground amenities. This includes enhancing programming, campsites, relationships with nearby amenities, signage, off-season usability, and strategies for attracting more tourists."

**Status: In Progress**

### Bit Space Development Ltd.

MMDF contributed \$162,000 to Bit Space Development for a project focused on creating a database for mining findings and developing a training tool for interested parties. The initiative involves training a custom computer vision model designed to identify petrological targets without human intervention. This technological advancement aims to expedite the identification of crucial mineral exploration information, ultimately enhancing the efficiency of the mining process. The successful completion of this project is anticipated to bring added value to the mining supply chain, benefiting mineral exploration, research, and education in Manitoba.

**Status: Complete**

### Manitoba Prospectors Developers Association

MMDF has allocated \$28,890 to the Manitoba Prospectors and Developers Association for a study aimed at evaluating the economic and social impact of the mineral exploration industry in Manitoba. This project will provide insights into the vendors supporting the mineral exploration sector, with a focus on promoting Indigenous and community vendors. Additionally, it will highlight community investments made by mineral exploration companies throughout the province. The report will underscore the importance of Indigenous-affiliated businesses and collaborative partnerships in fostering reconciliation and driving economic advancement for Indigenous communities.

**Status: In Progress**

#### ANTICIPATED OUTCOMES

Short Term Jobs: **6**

Long Term Jobs: **4**

Dollars Leveraged: **\$1,094,068**

Community-Industry Partnerships: **2**





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