

Greenland Mining Seminar – PDAC 2017

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Presentation Outline



- Survey background and methodology
- Results of 2016 Survey
- Areas of weakness
- Areas of strength
- Individual policy areas
- Conclusion

Survey Background



- Rankings compiled from an anonymous annual survey of exploration, development and mining companies
 - Began with North American jurisdictions in 1997
 - Current survey includes 104 valid jurisdictions
 - Minimum threshold of 10 responses to include results in survey report

The 2016 Survey



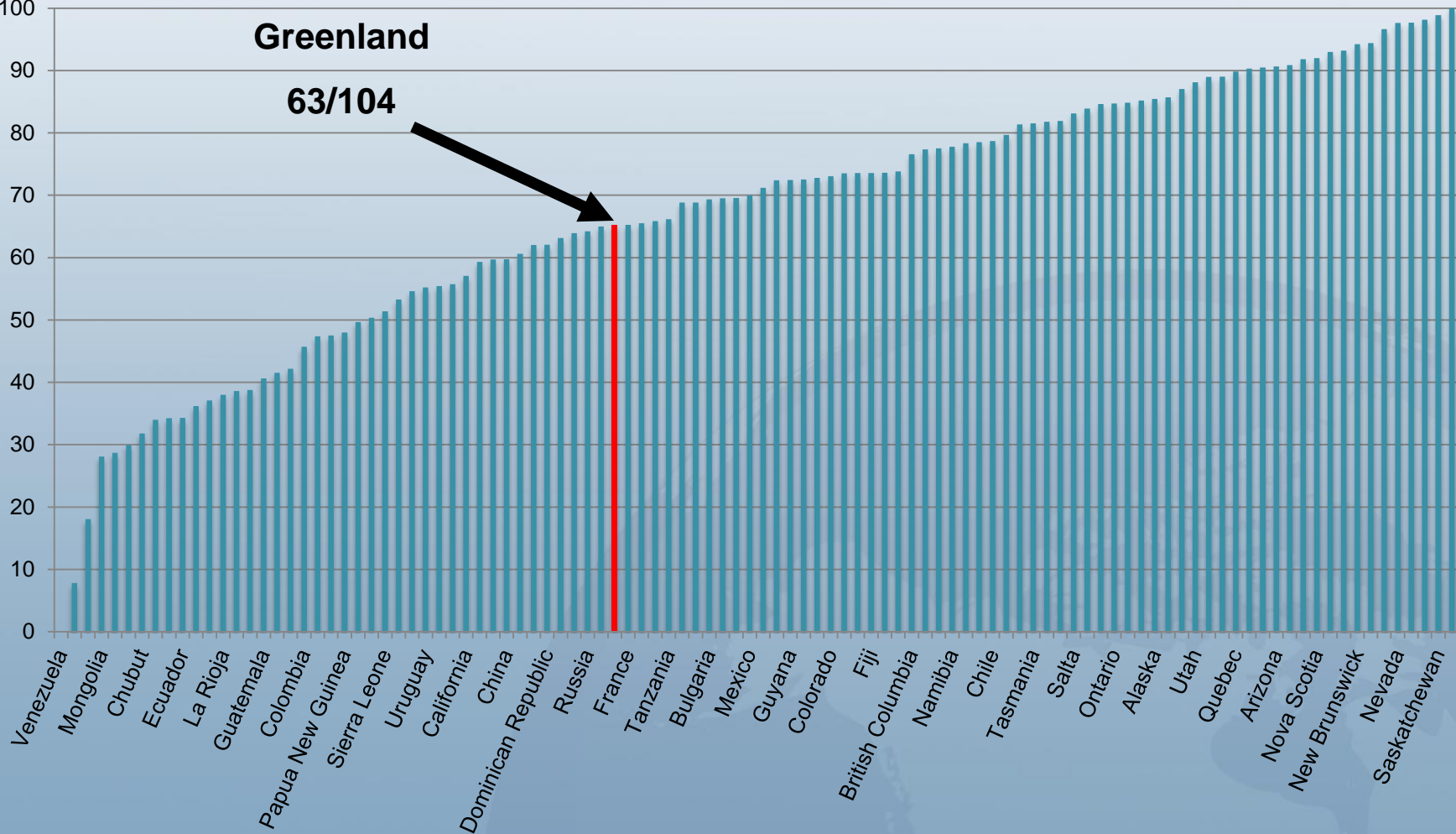
- Sent to 2700 executives at exploration, development, and mining consulting companies
 - Asked to respond only for jurisdictions which they know
- Responses from 350 executives
- Representing US\$2.7 billion in exploration spending in 2016 and US\$3.2 billion in 2015
- 104 jurisdictions rated

Survey Methodology



- Survey participants in 15 policy areas
 - For example, “Taxation Regime” or “Political Stability”
 - Asked whether deters or encourages investment on a scale of 1-5
- Policy Perception Index
 - A composite measure of all 15 policy areas that considers responses from all 5 response categories
 - Standardized scores are estimated for each jurisdiction on each policy variable and then added up and normalized to a scale of 0 (worst) to 100 (best)

2016 Policy Perception Index



2016 Survey Results

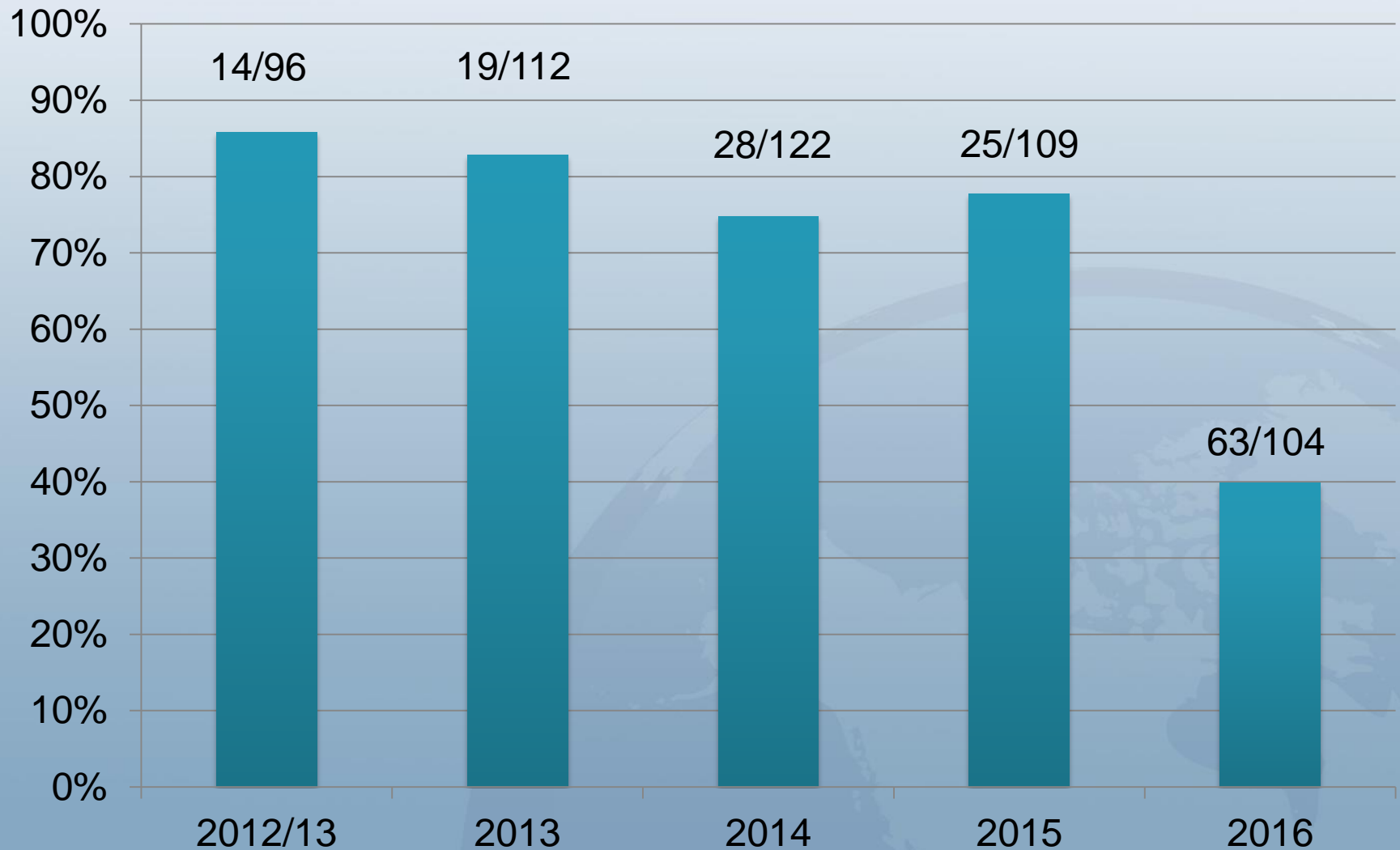


- Greenland ranked 63rd (PPI of 65.14)
- Republic of Ireland is top-ranked jurisdiction; Saskatchewan is 2nd
- Also in the top 10 are Sweden, Finland, Nevada, Manitoba, Wyoming, New Brunswick, Western Australia, and Northern Ireland.
- French Guiana tops Latin America globally at 34th place
- Botswana tops in Africa at 12th overall.
- The bottom 10: Ecuador, Mendoza, South Sudan, Chubut, Indonesia, Philippines, Mongolia, Zimbabwe, Afghanistan, Venezuela

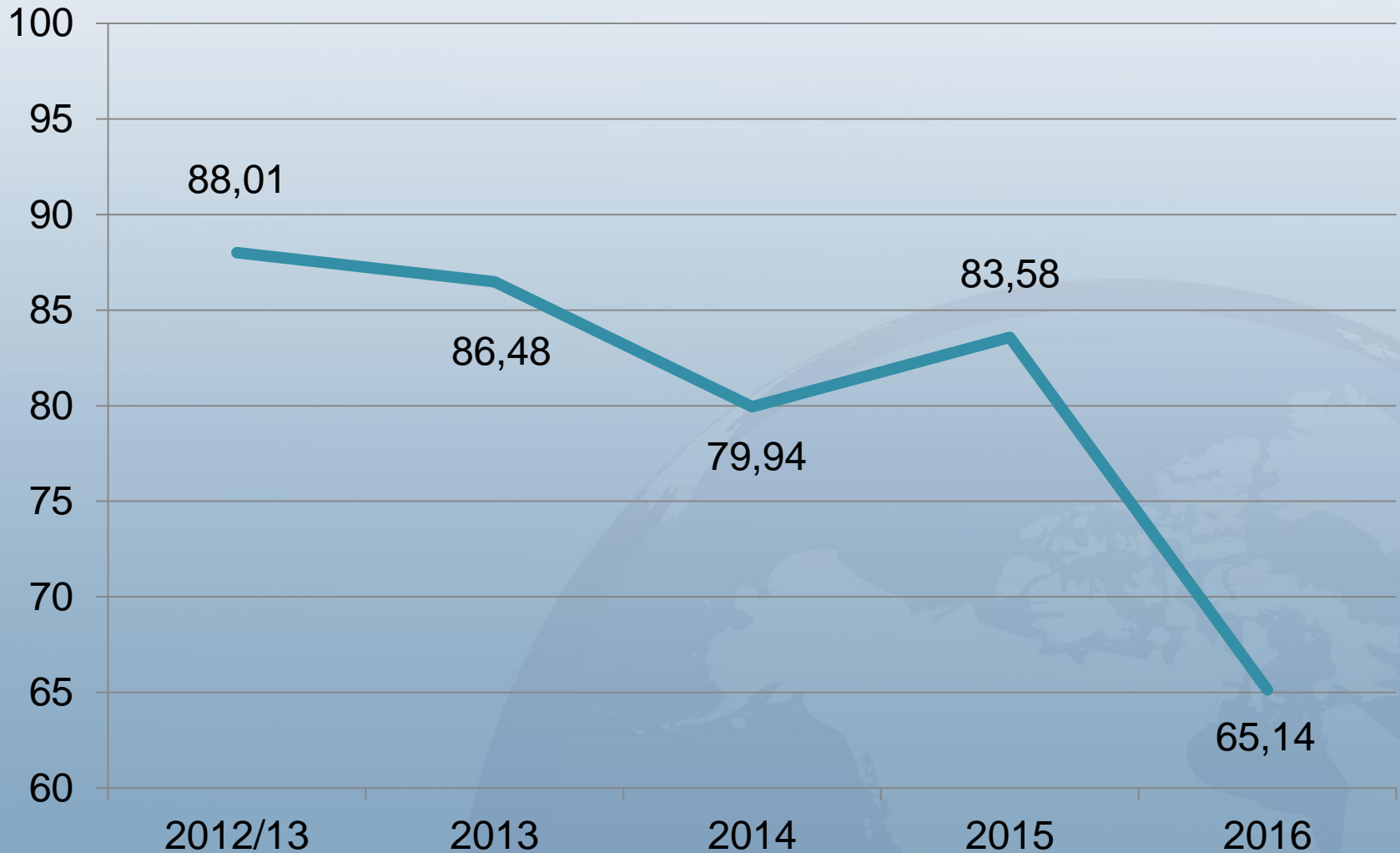
2016 Results

- Ranked 63rd (PPI of 65.14)
- An decline of 38 spots from 2015
 - Greater determent to investment was primarily caused by concerns over the taxation regime (+43%), labour regulations (+36%), and political stability (+28%).
- Areas of strength include:
 - Security environment
 - Geological database

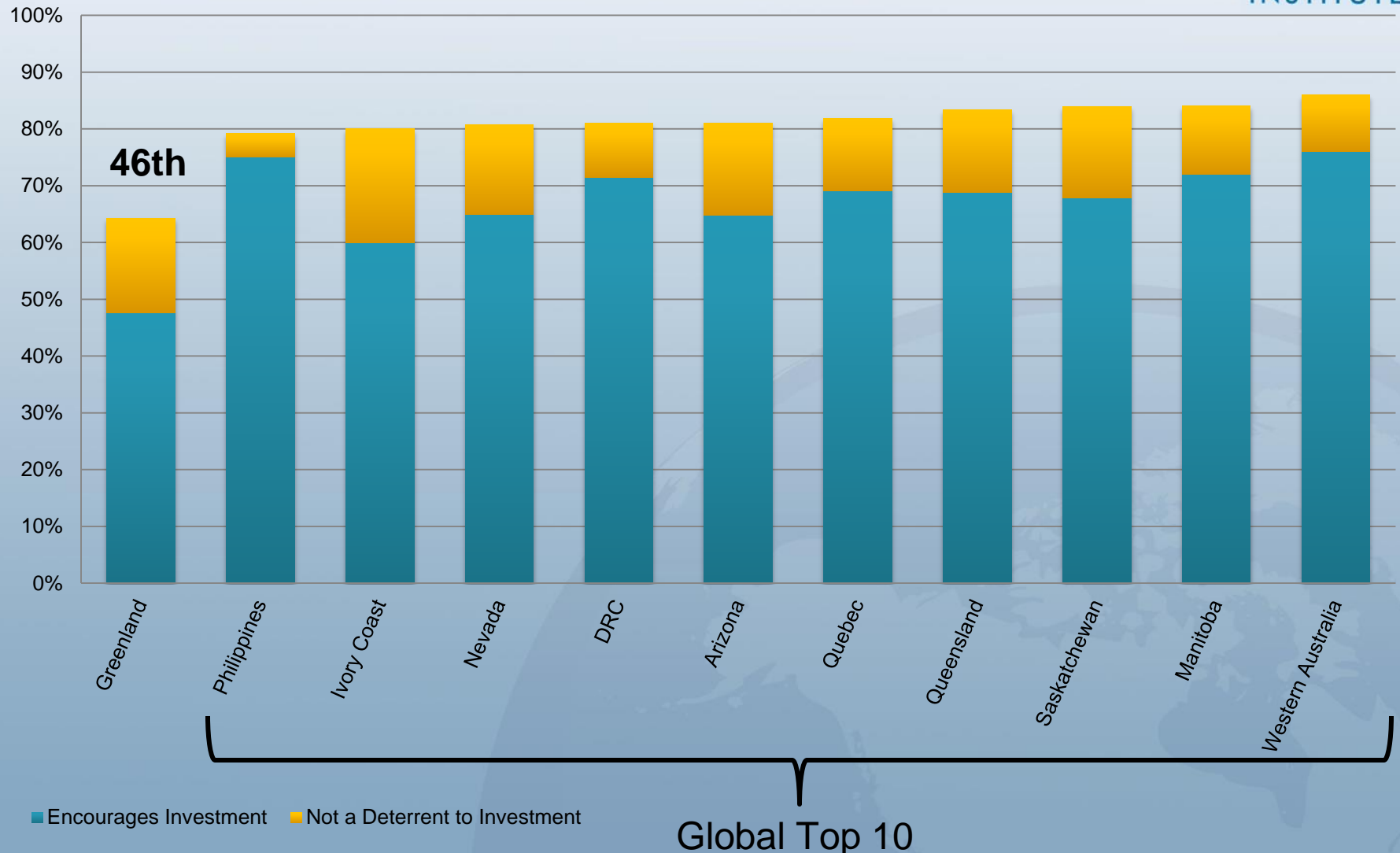
Relative Rank Greenland



PPI Greenland 2012/13-2016



Mineral Potential 'best practices'

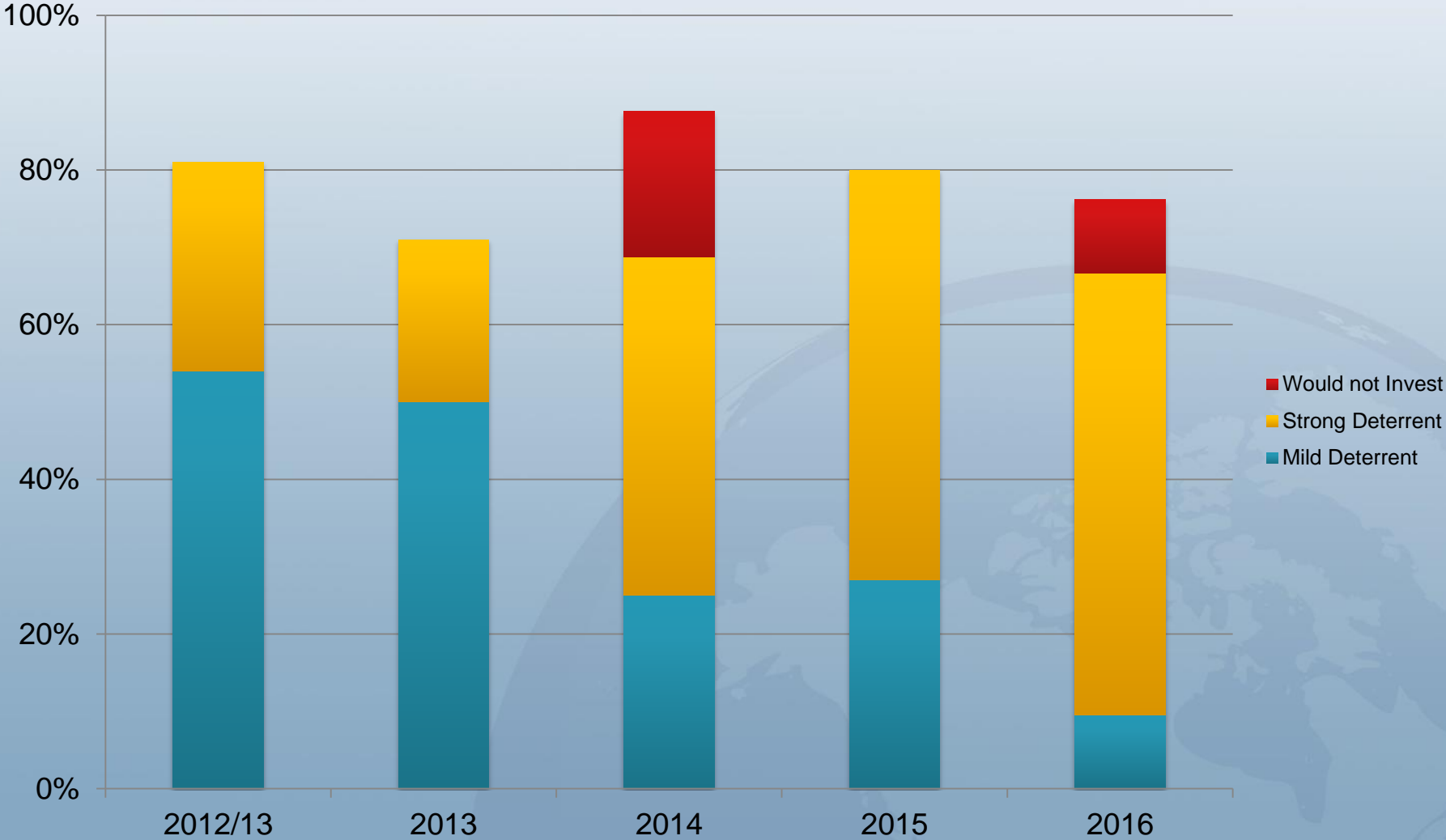


Individual Policy Areas

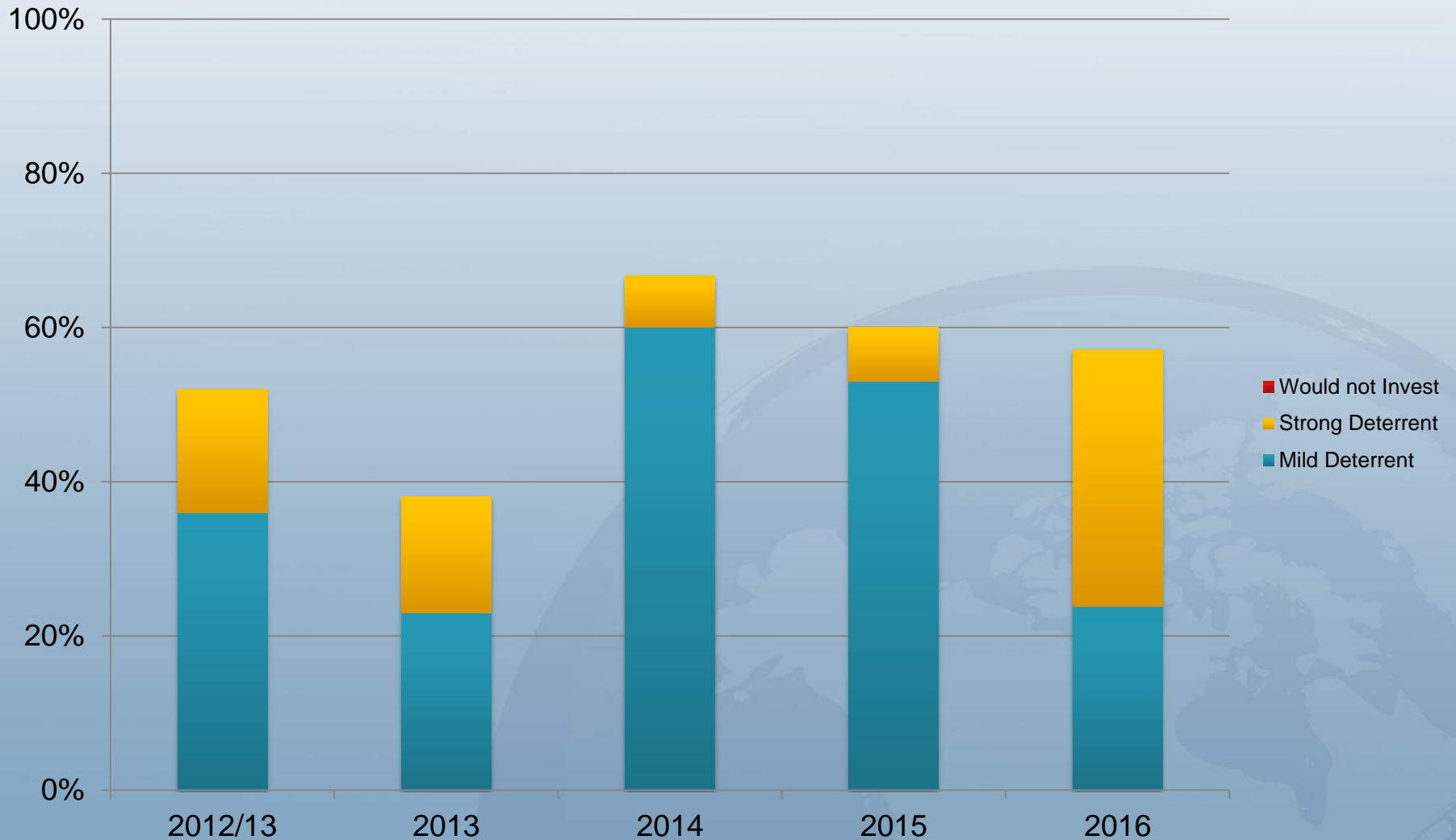
Here we look at “detriments” to mining.

**So lower scores indicate
mining friendly policy.**

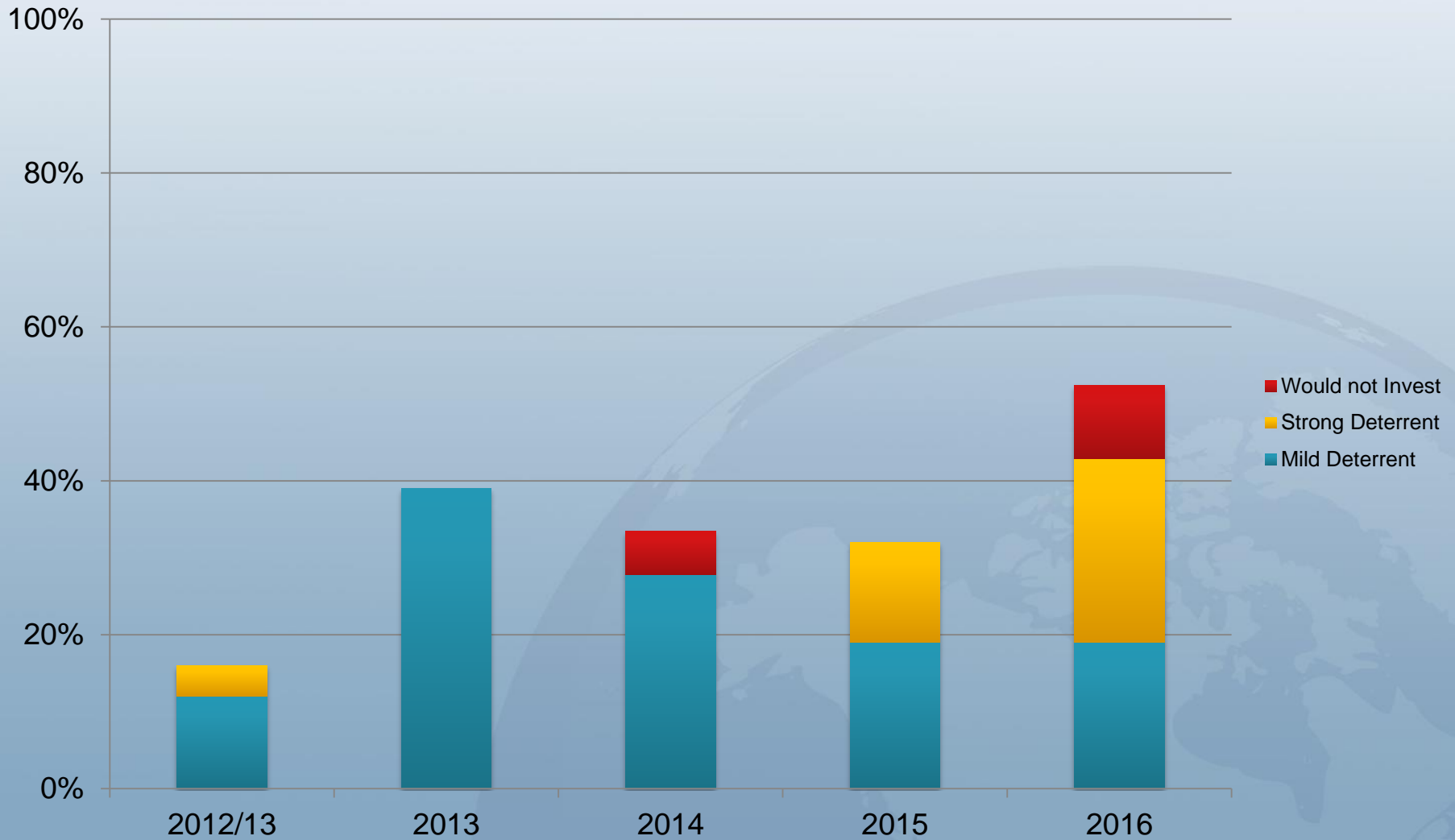
Quality of Infrastructure (includes access to roads, power availability, etc.) Greenland 2012/13-2016



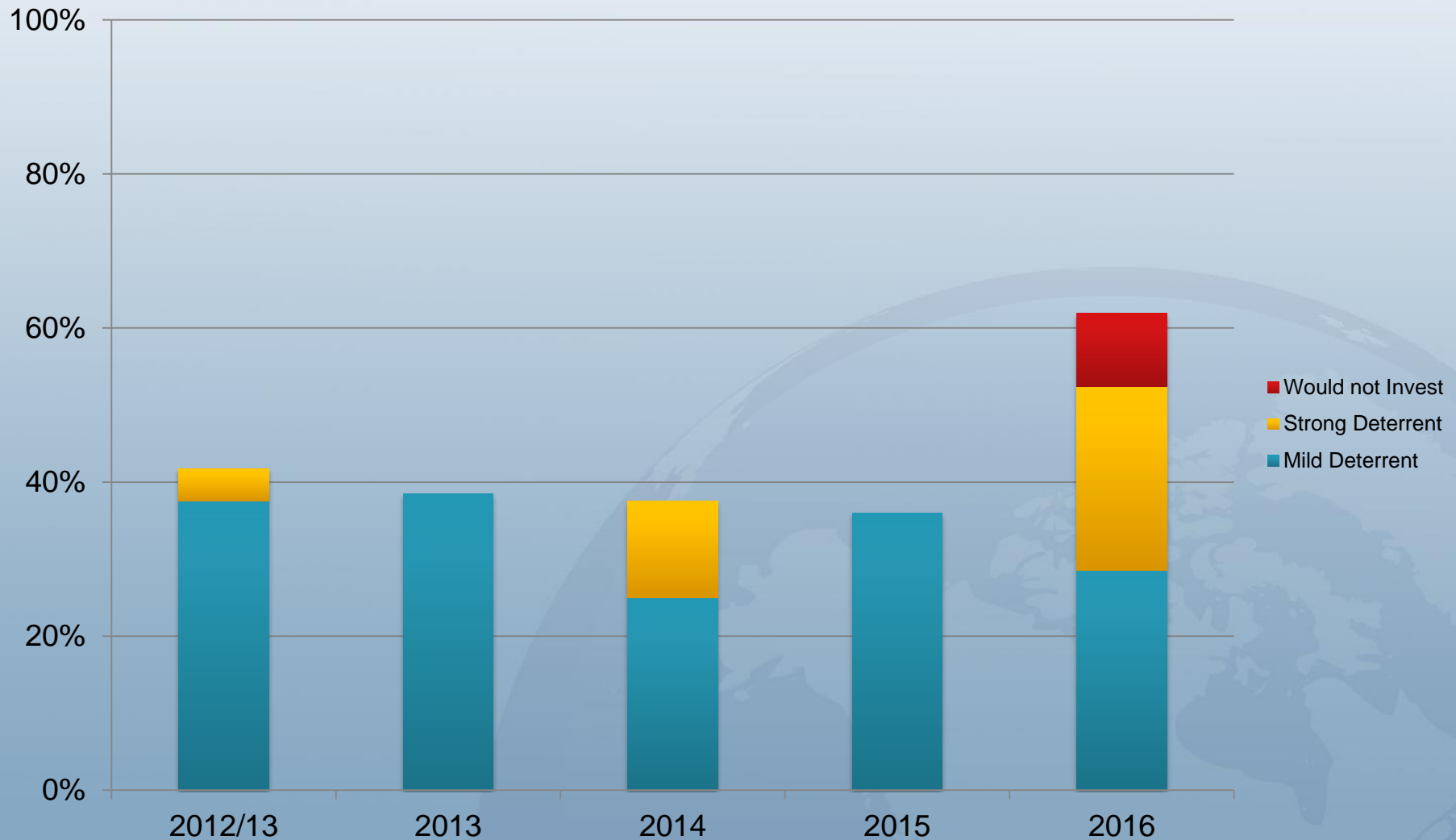
Availability of Labour and Skills Greenland 2012/13-2016



Uncertainty Concerning Environmental Regulations Greenland 2012/13-2016



Uncertainty Concerning Socioeconomic agreements Greenland 2012/13-2016



Conclusion

- Greenland was a top performer in the past, but has begun to slip. This trend seems to have been temporarily muted in 2015, but returned again in 2016.



All research available
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www.fraserinstitute.org

Thank You!

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