

Future of Uranium and Nuclear Remain Strong; Safety Continues to be Priority

Dear Community Member,

By now everyone is aware of the devastating events that occurred in Japan on March 11, 2011 where a 9.0 magnitude earthquake hit eastern Japan, followed by a tsunami which created waves of up to 10 metres (30 feet) high. It is estimated that there are about 15,000 fatalities and 10,000 people remain missing. The cost of rebuilding destroyed homes and infrastructure, rehabilitating flooded farmland and replacing destroyed crops is estimated to be over \$300 billion.

This is a severe natural catastrophe and our hearts go out to the people affected by the disaster.

As a result of the natural disaster, the Fukushima Nuclear Power Plant has encountered serious technical failures and officials continue to work to permanently resolve problems at the reactors.

This situation has caused some people to reflect on the nuclear power industry. And it has caused the nuclear power industry to pause and apply lessons learned.

I have often been asked if I think this tragedy will have an impact on the long-term viability of the nuclear sector. I think that the industry will look for ways to improve the safety performance of nuclear power generation, but that the fundamental benefits and demands for nuclear power have not changed. The world still needs to expand electricity supply, especially in countries like China and India where significant power increases are required for their economies to grow. I believe that nuclear power will continue as part of the energy mix needed to meet this demand, while addressing climate change issues.

Closer to home, Labrador community members may also be reflecting on the nuclear industry and the uranium used to fuel nuclear power plants. Mined uranium and its concentrated product, yellowcake, do not contain the high radiation levels of the enriched fuel used at nuclear power plants. The small amounts of radiation that do occur at a uranium mine site are carefully managed, with strict workplace and environmental safety controls to protect people and the land.

Canada's uranium mining industry is highly regulated and scrutinized. This level of supervision has contributed to Saskatchewan's uranium mines having lower accident rates than other types of mines in Canada, as well as other activities like logging and machining.

While the situation in Japan could impact the price of uranium in the short term, Aurora's focus remains the same. We await the lifting of the uranium moratorium in order to advance the Michelin Project, which will include exploration drilling programs. Paladin Energy (owner of Aurora Energy) plans to keep its strategic focus on safely doubling its uranium production by 2018.

It is also important to remember that every piece of equipment, human performance, and emergency response procedure around the incidents in Japan will be evaluated by the world's nuclear community. When the facts surrounding these events are fully understood, those insights will be used to make nuclear energy even safer.

Bruce Dumville

President and CEO, Aurora Energy Ltd.

Safety of Nuclear Industry

- More than 440 nuclear reactors are operating safely around the world.
- The nuclear power sector continues to grow with 60 reactors under construction in 15 countries.
- The nuclear industry supplies around 15 per cent of the world's electricity and does so without creating pollution or carbon dioxide.
- In several countries, nuclear power generates one-third or more of the total electricity consumed and has done so for many decades without any significant incident.
- Canada's nuclear industry has a strong safety record that spans almost 50 years.
- Canada's nuclear power plants are among the most robust designs in the world with multiple, redundant safety systems.
- The 71,000 workers in the Canadian nuclear industry are highly trained and qualified.

Team Makkovik Tackles Cain's Quest

by Perry Dyson

Team Makkovik members Perry Dyson and Lewis McNeill took on Canada's longest snowmobile endurance race in March 2011. Here's their story.

Lew and I were inspired to enter Cain's Quest when it tore through our community in 2009. The whole community, indeed the entire Coast, was left speechless when the event came and left. People expected a little excitement, but no one was prepared for how wrapped up everybody eventually became; everyone from community elders to elementary school students. Day-to-day life in Makkovik was basically paused until competitors passed through.

At this time, it became very difficult to imagine how an event of this magnitude could be occurring in our own backyard with absolutely no local representation. Lew and I weighed the pros and cons for quite a long time before eventually deciding to throw our hats in the ring. We recognized early on that the largest obstacle for us was finances - a poor excuse for missing out on anything in life - so we went all-in and purchased two machines along with required parts and accessories to show potential sponsors how serious we were about it. Thankfully, sponsors did come forward to help lift the financial burden, and the rest is history.

Due to very unseasonable weather in 2010, the event was cancelled because there wasn't time for organizers to prepare an alternate route. So, we were forced to postpone and hold-over for the 2011 event.

Again, due to similar unseasonable weather in winter 2010/2011, organizers had to come up with an alternate route to be sure that the race would go ahead. We were disappointed to hear that the Coast would not be included in the route, but the adventure of travelling to Kuujuaq, along with the new dynamic of having to travel with komatiks (something we were very familiar



Team Makkovik¹, #27: Lewis McNeill (l) & Perry Dyson (r).
(Photo by Michelle Dyson)

with and, at least in our minds, helped to level the playing field) became more exciting to us as race day drew near. So, we built our own komatiks, and off to Labrador City we went.

Being the first and only team entered from Nunatsiavut, we felt completely alone when we arrived. It wasn't long before we were greeted by Mike Edmunds and the Nui Boys out of Natuashish, who welcomed us in and shared with us all their past experiences. We owe them a great deal of gratitude and appreciate their friendship.

The morning of race day in Lab City was a flurry of excitement, with teams, support crews, spectators, and organizers going mad trying to tie up the final loose-ends. We drew the second starting position and left Lab City at 10:02 am, at a temperature of +4°C with rain. Before the end of the night, the temperature was to fall to -20°C and we would find ourselves in a blizzard in completely unfamiliar country. I'd be lying if I said we weren't wondering what we'd gotten ourselves into.

The next four days would provide periods of extreme highs and extreme lows, both of which were intensified by relentless fatigue. As we approached Kuujuaq, having driven continuously for 36 hours, we crossed the Koaksoak River at dusk in good position. The warmth of the people of Kuujuaq was as pleasing as it was unexpected and someday we'd like to go back with a little more time to spare.

After a mandatory 18 hour rest period and addressing some equipment issues, we left Kuujuaq and were soon reunited with our travel companions Mark and Mike, Team 29, and Clarence and John, Team 30, out of Natuashish. We travelled together and were soon to catch up with the forerunners, where we all spent a few hours huddled together around a fire under a huge white spruce to watch the sun rise over the beautiful George River. Just another moment of breathlessness in our journey.

As we approached the Sail Lake checkpoint, again we were really excited at our progress and position. Suddenly, both Lew and I hit a rock partially obscured by snow. My machine took a bit of a bump, but Lew had irreparably damaged a part for which we had no spare. It seemed our journey was over. At this point, we hit the lowest of our lows. To our relief, a team to which we had offered help earlier in the day entered the checkpoint behind us with a spare part they were willing to let us have. Our ride was not yet over. After replacing the damaged part, we continued our journey to Churchill Falls, the second place we would have a chance to lay in a bed during our five day journey.

On the last day of our ride, we left the last checkpoint, Shabogamo Lake, in sixth position with only 40 km to go. Unfortunately, in our second great low, we



Makkovik waits for the return of the home team. (Photo by Holly Andersen)



The local heroes meet the fans. (Photo by Holly Andersen)



Lewis McNeill(l), Tom Evans (m) & Perry Dyson(r) at the FINAL finish line in Makkovik. (Photo by Holly Andersen)

overestimated the fuel efficiency of our machines and ran out of fuel 15 km from the finish line. This error resulted in our being passed by three teams, and our subsequent ninth place finish. But do you know what? When we got to the end, it didn't even matter. Our families and friends, along with the guys we had just spent the largest part of the last five days with, were at the finish line eager to welcome us in and it actually felt as if we had all finished it together, which we now realize is exactly how it was.

We had assumed that because of the change in routing, it would basically be ourselves and our families who would be touched by the enormity of the adventure we had just been a part of. How very wrong we were. It was only after we got back to Lab City that we realized just how many friends and supporters had been following us. The internet messages and phone calls we received during and since our trip have been completely overwhelming. It seems that our feelings about the lack of a local team in previous years' races were shared by more people than we could have imagined. I had ladies who squeezed my cheeks like a baby, telling me how proud they are of our accomplishments. The little fella across the street from my house is trying to get my son to enter Cain's Quest on their Mini Z's. Every person that recognizes me when I enter the snowmobile shop asks about the experience. I could go on, and on, and on. We're so grateful to all the people who followed along with us. It's these people who made it so special.

On behalf of Team Makkovik¹, I'd like to take this opportunity to once again sing the praises of all those who helped make this adventure possible. To our family and friends who helped organize events and fund-raisers, everyone who bought and sold tickets or cold plates, everyone who sent words of cheer and encouragement along the way, and our friends and family who gave up their time to join us in Lab City and helped out so much.

Indeed a great deal of thanks again to our financial sponsors: Makkovikimiut Trust who, even more than us, had the foresight to recognize what local representation

in this event would mean to the community; the great folks at Aurora Energy, Ches, Lela, Waylon, Paul, Andrea, and Steve, whose assistance beyond financial was only a phone call away; our good buddy, the smartest man in Industrial Refrigeration, Mike Young at Young's Ice; our lifelong friend, Tom Lyall at Lyall's Drafting; the Makkovik Recreation Committee, Makkovik Inuit Community Government, Big Land Grocery, Newfoundland & Labrador Consulting Engineers, Inuit Canadian Consultants, and the Nunatsiavut Government - without your support this would never have come together.

At this time, and probably most importantly, thank you to the beautiful women in our lives, Nevie and Josie, for picking up all the slack at home while we went off and "played skidoos with the boys".

Inevitably, the questions we're asked about Cain's Quest always tend to come back to the same thing: Would we do it again?

Running out of fuel 15 km from the finish line cemented firmly in our minds the absolute necessity of doing it again. And we knew before we even crossed the finish line that there was no way we could pass up the opportunity to apply the skills and experiences we had gained in Cain's Quest 2011. We got off our machines in Labrador City and almost immediately set to work trying to figure out how we were gonna make this happen again.

We have already received financial commitment from sponsors for the 2012 race, including several from the 2011 event.

Although we have a great deal of fundraising left to do, considering it took us two years to raise enough funds to do this the first time around, it's very encouraging to see that so many people are showing their positive support, and we are hopeful that Team Makkovik¹ will be at the starting line for the 2012 event, and we hope to see you all there.

Love and thanks!

Down Under Meets the Big Land - Paladin Visits Labrador

In March, John Borshoff, Paladin Energy's Managing Director and CEO, Don Shumka, a member of the Board of Directors, and Gillian Swaby, Company Secretary, had their first trip to Labrador. Taking in Nain and Happy Valley-Goose Bay, they had the opportunity to meet with Nunatsiavut Government representatives, as well as a variety of Labrador community members. Their trip finished with a visit to St. John's.

Getting acquainted with people face-to-face and seeing a place first-hand is an important foundation for building strong working relationships. Having a chance to speak with Paladin in person gave government and community members an understanding of the company's international scope, as well as management's commitment to the Michelin Project. All three visitors were pleased to be able to hear from government and residents directly and thank those that were able to attend the meetings.

This is the latest of several trips members of Paladin's Australian team have taken to Labrador in recent months to help evaluate where the Michelin Project fits into the pipeline of development projects around the world. Earlier this year, we had senior geologists visiting Postville and the Michelin site. Members of our technical group from Perth also visited Newfoundland and Labrador this winter.



John Borshoff speaking with luncheon guests in Happy Valley-Goose Bay (March 2011).

Community Outreach Highlights - Winter 2011

Aurora continued its community outreach program through the winter of 2011. We delivered presentations to smaller groups at hosted events, such as FINALY and the annual meeting of the Combined Councils of Labrador. We also continued to make meaningful contributions to events and programs with close ties to the people and communities of the North Coast, including Team Makkovik in Cain's Quest 2011 (read about their experience on pages 2-3).



Aurora was proud to contribute to the 32nd annual Heritage Dog Team Race, held this year in our host community of Postville. Kenny Pottle of Rigolet (above) finished first place, repeating his win from 2009. The prize for Best Looking Dog Team, which was sponsored by Aurora, went to Eddy Pottle of Hopedale.



Ches Andersen, Aurora's Vice President, Labrador Affairs, presented our environmental baseline work in the Michelin Project area to Makkovik elders in March.



In 2011, Aurora was pleased to donate to the Kids East Smart Program for Postville and Makkovik schools. Above, Zena Sheppard, Aurora's Postville community liaison, presents Carmen Sheppard, Principal of BL Morrison School, with our contribution.

Any questions or comments? Please contact us:

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