

Her glass is half full

Pam Strand, president and CEO of Shear Minerals, searches for Nunavut's first economical diamond deposit (sorry, Jericho) in tough financial times

Growing up in cottage country on the shores of Lake Ontario, Pam Strand didn't envision spending her adult life searching for diamonds in Canada's North. But as the driving force behind Edmonton-based junior Shear Minerals Ltd., that is what she's done since 1997, just as the diamond boom was taking off in the NWT.

However, Strand's Northern ties go back further than that. She first came North after landing a summer job exploring for gold near Rankin Inlet in the late 1980s. She subsequently worked at Yellowknife's Con mine and as a district geologist with Indian and Northern Affairs in Yellowknife before moving to the private sector in Alberta.

But while she may now live in the province that oil money built, much of Strand's life still revolves around the North. She is a director of the NWT and Nunavut Chamber of Mines, a fixture at Northern trade shows that have anything to do with the sector and, of course, she's often up here pursuing Shear's interests in its Northern diamond properties. That pursuit has been a tough one for the past 12 months.

On what got her interested in a life of rock hounding:

I've always been focused on the sciences and math. But I never got introduced to geology as a subject until my first year of university. Growing up, I was always outdoors and my family cottage is along a rocky beach where you could chisel out fossils and find a whole bunch of other geologic treasures. I was always a treasure hunter growing up. That's kind of the personality that ends up in geology because there are always questions to be answered.

On discovering the North while exploring for gold in Rankin Inlet, Nunavut:

I remember the industry was getting very slow in the late '80s and jobs down south weren't very available. So I was sitting in one of my classes one day and my professor said,

'Some of my grad students need geologist assistants on a project and it's in the NWT.' This was before Nunavut was created. I heard all the people in the class saying, 'Who'd want to work way up there?' But I secretly wrote down the number and applied for it. Sometimes you can get a bad experience in the bush and it paints you forever. This was the opposite. I was with an amazing crew with an excellent work ethic. And those crew leaders and project leaders are still mentors to me.

I just fell in love with the North that summer. As a geologist, when you don't have to deal with trees and swamps, you actually learn a lot about the rocks. Sometimes you get completely overwhelmed because you will be in an area and it's 80 per cent rock outcrop. How do you map that? It will take forever. But it was a huge opportunity to learn as a young geologist.

On her time working for INAC in the North as a district geologist:

Through the connections I made that first year in the North I ended up with additional summer jobs up there and that led me to work in Yellowknife at the Con mine. I did my bachelor's thesis the summer I was outside of Rankin Inlet and I did my master's thesis at Con. So I never officially moved to Yellowknife but I found myself not leaving.

The job with INAC was an opportunity to expand my knowledge to more of the regulatory side. It ended up being a perfect time to get that job. At the time the gold sector was struggling and that was also the point of the discovery of diamonds at Lac de Gras. I got exposure to all those reports and those people. It was a great place to be at that time as a geologist. Otherwise you're working for one company. With INAC I got an overview of everything that was going on.

On why she moved to the private sector in 1997:

With the federal government you have to commit a lot of years to it if you want to move up in the ranks. I had met some individuals in Yellowknife and they presented some opportunities to me to come and work in Edmonton. My husband had been transferred to Edmonton as well. So there were a number of factors that played into that decision. It was a whole new realm for me being on the public company side. You raise money. You deal with investors. It's a lot of stress. But it is also quite invigorating, too. You're defining the exploration programs. You're involved in the ideas. You are implementing, carrying out and communicating. It's been an exciting experience.



"The North is so vast, and the dollars put into geological mapping are so low compared to other jurisdictions. Without a doubt there are going to be new discoveries."

On what led her to search for diamonds in Nunavut:

An opportunity came to us. We met this prospector/geologist group and they had this idea out in Rankin Inlet. They said there had been some historic kimberlites found in the gold areas there. They believed where there are some kimberlites there are more. So we took 100 samples in 1991 and ended up getting way more than we thought in the results and staked what has become the Churchill diamond project. Since then we've discovered 88 kimberlites there. That's a huge number.

For a couple of years we were finding 35-40 per cent of all the discoveries in Canada. It took us quite a number of years to clue into the high diamond potential ones. There are hundreds of kimberlites there and you have to filter out the bad ones because not all kimberlites have diamonds. But 11 out of the 88 are of interest.

On the possibility a diamond mine will emerge from the Churchill project:

It's still highly prospective. What we've discovered so far are these high diamond potential

kimberlites. Some of them have grades of up to more than two carats per tonne. That's pretty good. Ekati's grades are one [carat per tonne] and Diavik's are three-to-four. What I also like about these kimberlites is they are land based and only 20 kilometres from tide-water and very close to Rankin Inlet - a full service community. What we really need to do now is build a larger resource. With more than \$30-million spent here, we've taken a lot of the exploration risk out of the play. But it's still a ways away before we can find the right combination of size and diamond grade.

On how difficult 2009 has been for Shear Minerals:

It has been a challenging year. A lot of budgets right now are being driven by the availability of raising money, which is quite limited. We're just hanging on.

We actually haven't raised any funds in 2009. We did in the latter part of 2008 and we'll have to go back to the market before the end of the year. So we're working on a few things. We've brought in Kennecott - Rio Tinto's Canadian exploration subsidiary - to partner on our northern block at Churchill. That's a creative way of sharing the risk - bringing in a credible partner - to evaluate this land.

But Shear Minerals is committed to the North, especially our Churchill play, and it's our plan to remain in the diamond sector. I think there is huge potential in the North. It just takes money, time and expertise. Right now the investors are being cautious with their money. But there are still a lot of groups out there that see the benefits of diamond deposits. If you find a large one they generate huge economic returns. That's the goal and that's the dream we sell.

On the importance she places on community consultation in the North:


We've taken that approach since the beginning. Quite a few members of our team - including myself - have lived and breathed the North for years. We have a big commitment to making sure everybody is happy. You can't operate now unless you've got the blessing of the people that live and use the lands. We spend a lot of effort getting comfortable with people and building a certain amount of trust. I tell them to call me. I will answer them directly if they have concerns. Consultation isn't telling people what your project is about. It's about identifying opportunities and having an intelligent exchange of information.

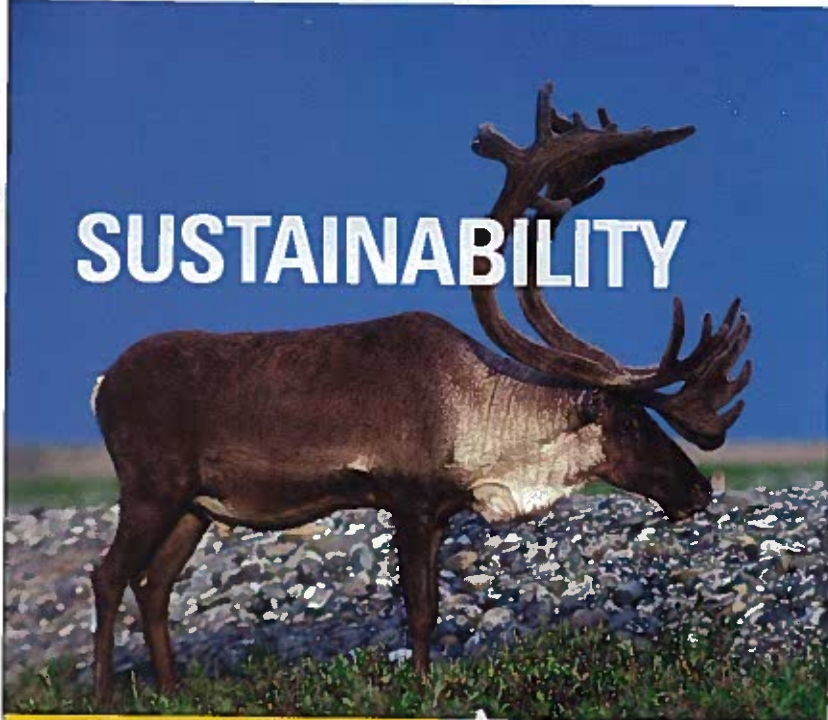
On the potential for more big diamond finds in the North:

The North is so vast, and the dollars put into geological mapping are so low compared to other jurisdictions. Without a doubt there are going to be new discoveries. Our Rankin Inlet play is a prime example. Who would have thought there would be 88 kimberlites on it when I flew over it in 1988? And Peregrine Diamonds has discovered kimberlites at surface up on Baffin Island just this year. But we're exploration companies. We're out there looking for the mine. A lot of times it's

the mining companies - the BHPs and the Rio Tintos - that take that mine to fruition.

This year has been a challenging time for a lot of companies. But I think all the companies that are in the North are still committed to it. So a little patience is required to get us through this. We'll be at it fast and furious



next year. The more money we can raise, the more money we can spend on the ground and that's when discoveries happen. The opportunity is there and the potential is there. Hopefully Shear Minerals finds the next big diamond deposit. 





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