





**Railroad to the *Ring of Fire***




## **Railroad to the *Ring of Fire***

- ***a partnership between regional economic development enterprises and the mining industry utilizing existing and unique Canadian mineral and infrastructure financing incentives***



## Railroad to the *Ring of Fire*

- *Costs incurred to identify an economic mineral deposit may be “flowed-through” to share investors for deduction from their taxable income*
- *Construction of a railroad’s embankment is such an “exploration cost”*
- *Perhaps 40% of the cost of a railroad to the Ring of Fire is in this category*



***Canada Chrome Corporation has  
invested \$15 million in engineering  
studies of its preferred  
transportation corridor from Nakina  
to the Ring of Fire***


A photograph of a railway track curving through a forested area. The track is made of metal rails on wooden sleepers, set on a gravel bed. The surrounding landscape is filled with various trees, including evergreens and deciduous trees with some autumn-colored foliage. The sky is overcast. The word "Why?" is overlaid in the center of the image in a bold, black, italicized font.

***Why?***

A photograph of a railway track curving through a forested area. The track is made of steel rails on a gravel bed, and it curves to the right. The background is filled with dense evergreen and deciduous trees under an overcast sky.


## ***Corporate Imperative***

***To design and build an economically efficient and environmentally sustainable mining and processing operation in order to attain economic viability***




***Transportation of products to market  
will be 50% to 65% of operating cost of  
a chromite mining operation.***







***Transportation infrastructure will be 65% to 80% of the project's capitalization***



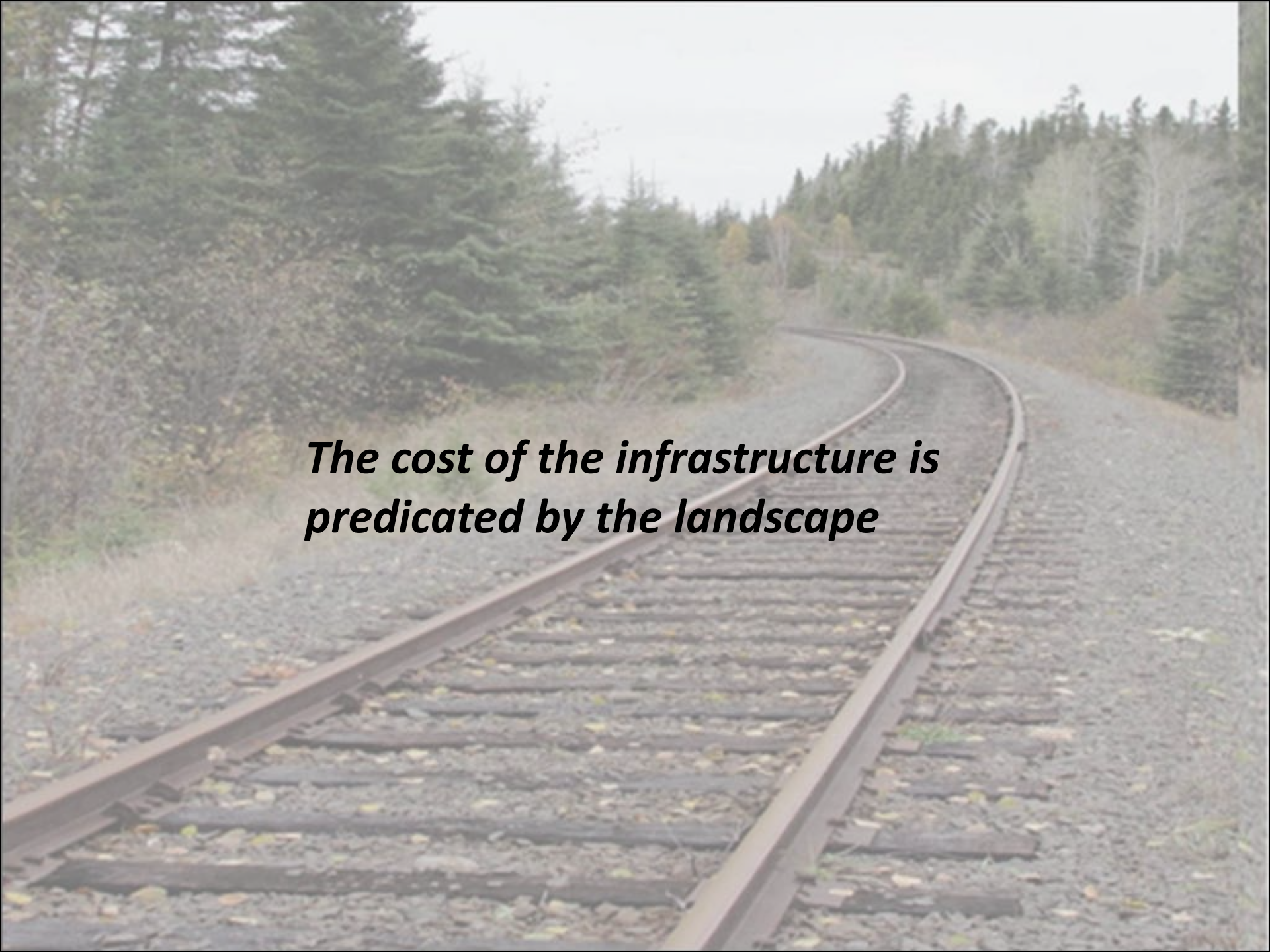
***Rail v. Road***




***Hauling chromite ore by truck is  
370% more expensive than by rail.***



***Forestry hauling on major haul roads  
ceases annually for at least 6 weeks during  
the spring thaw***



***The cost of the infrastructure is  
predicated by the landscape***



***Soil conditions***  
***Distance***  
***Lakes and rivers***  
***Topography***  
***General feasibility of construction***

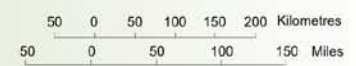
# QUATERNARY GEOLOGY

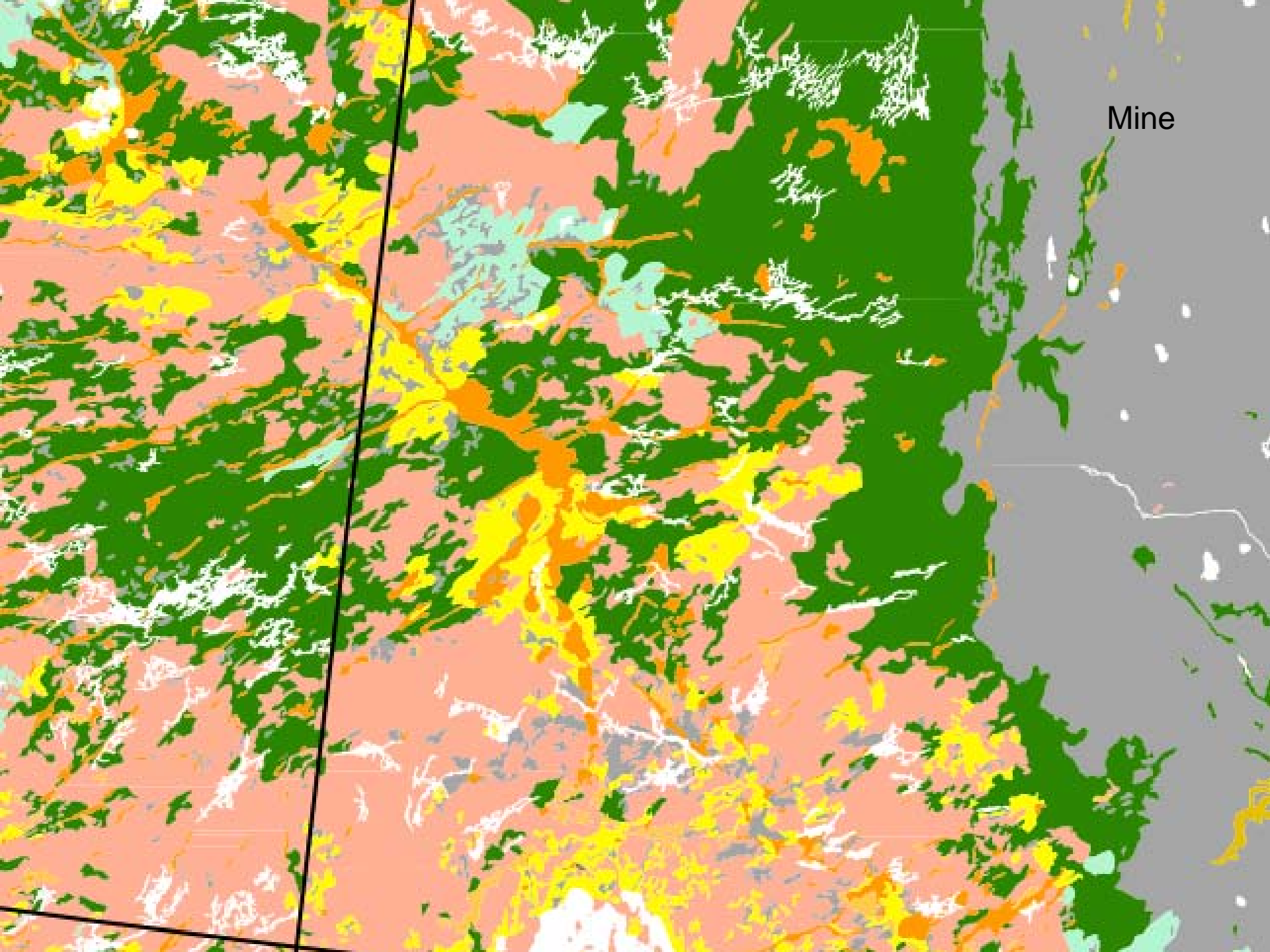
## LEGEND

### PHANEROZOIC

### QUATERNARY

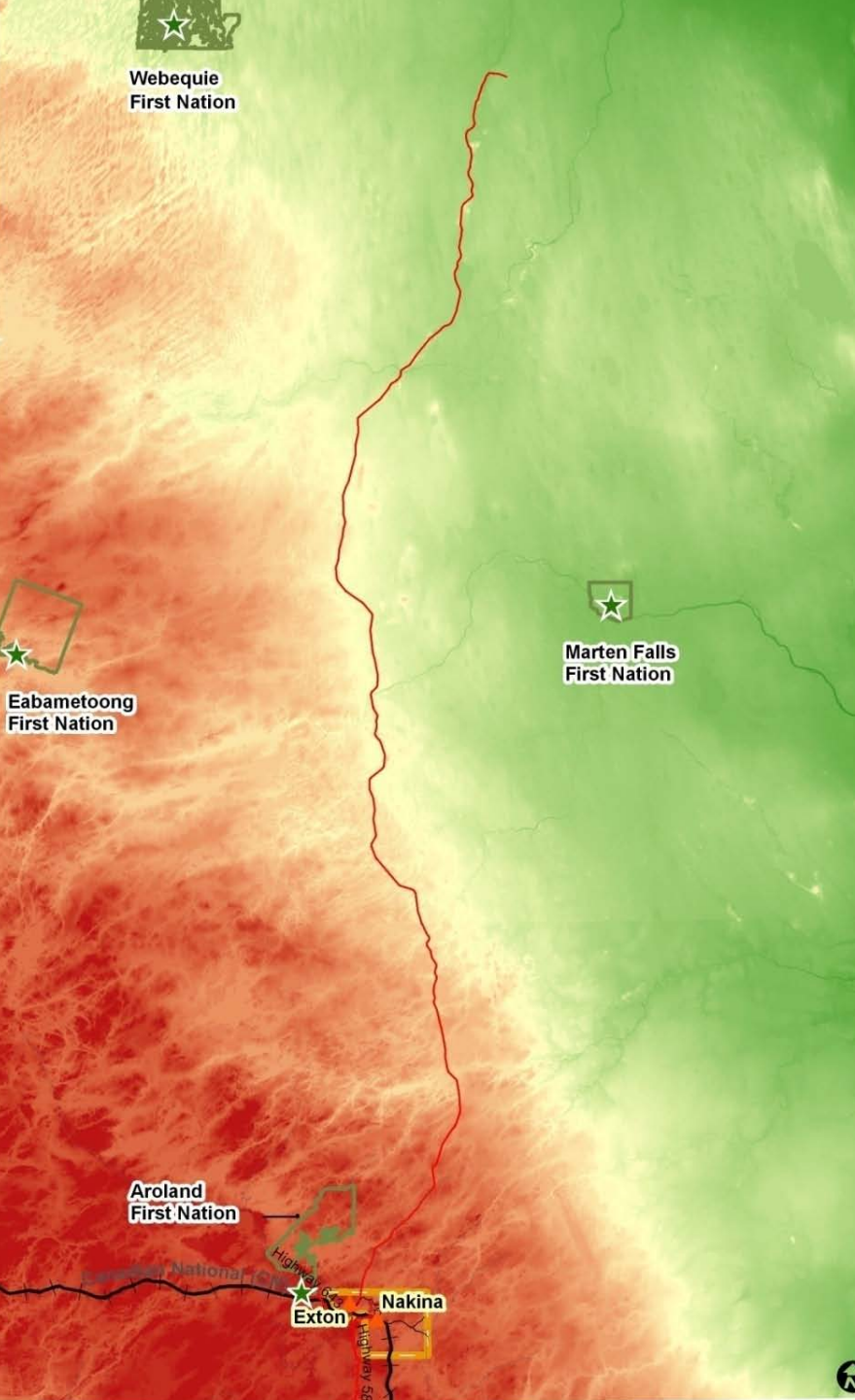
-  Organic deposits
  -  Coarse-textured glaciomarine deposits
  -  Fine-textured glaciomarine deposits
  -  Coarse-textured glaciolacustrine deposits
  -  Fine-textured glaciolacustrine deposits
  -  Glaciofluvial deposits
  -  Ice-contact stratified deposits
  -  Till
- PALEOZOIC
-  Paleozoic bedrock
- PRECAMBRIAN
-  Precambrian bedrock





Mine

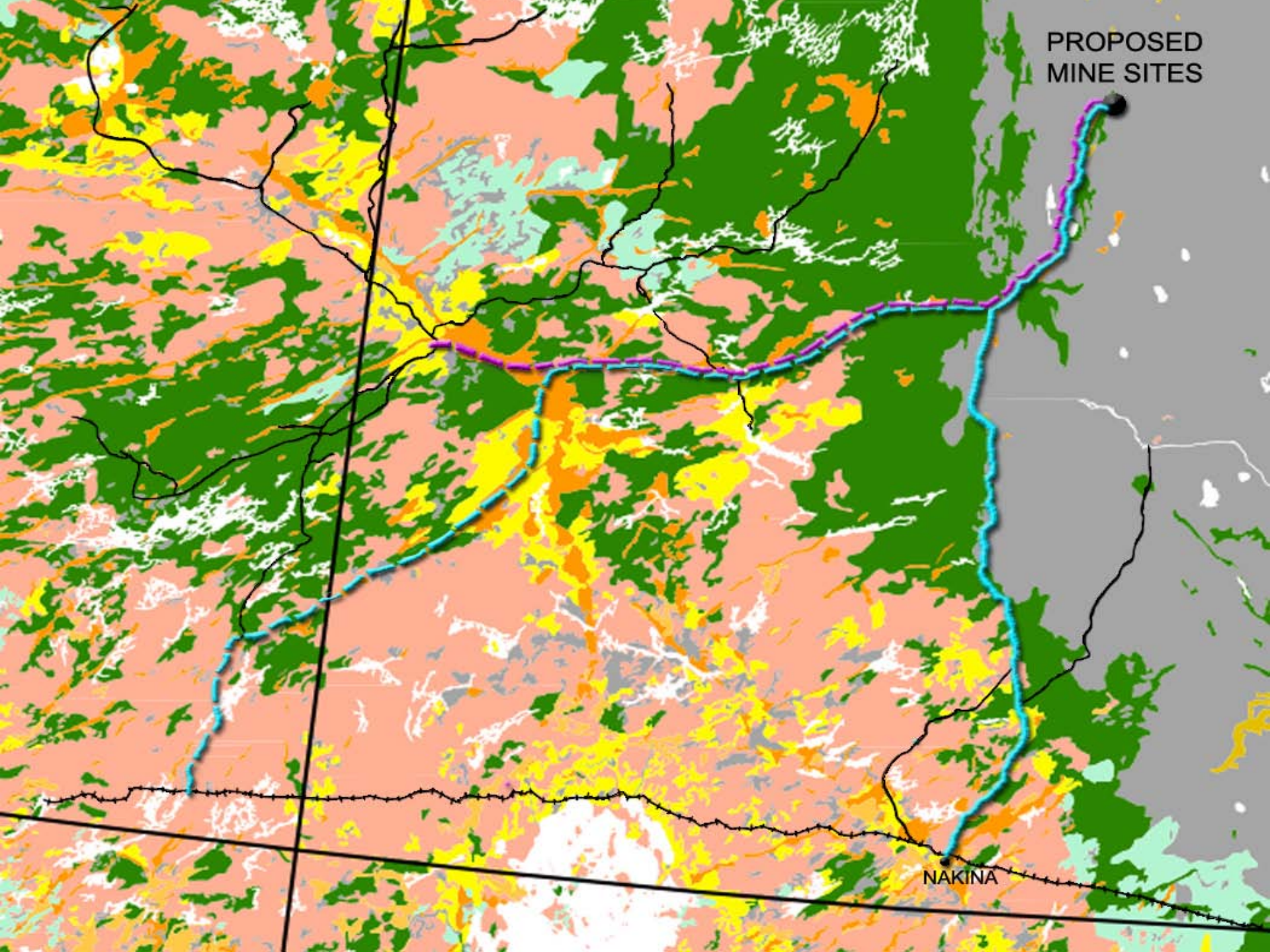




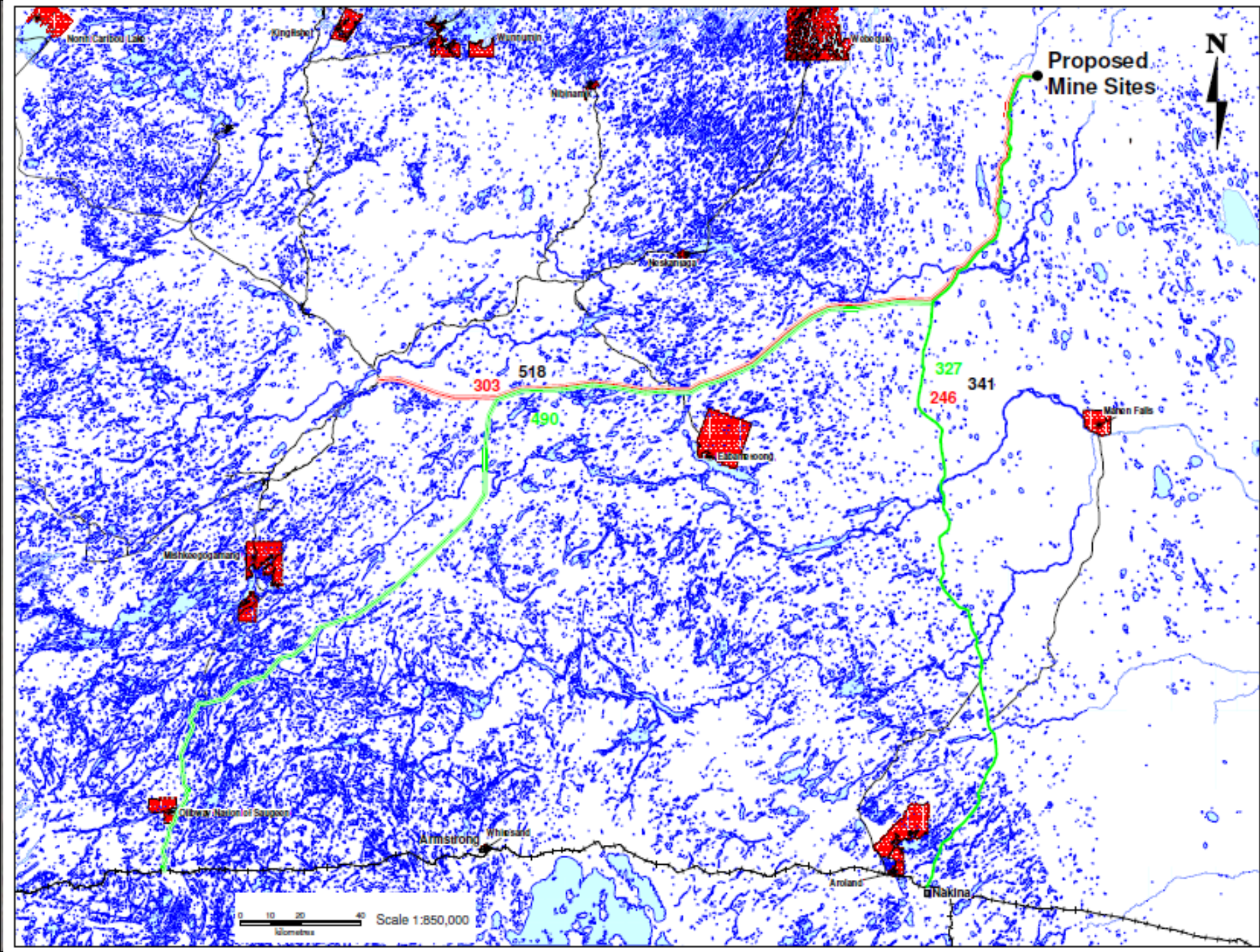




PROPOSED  
MINE SITES



NAKINA



## Railroad to the *Ring of Fire*

- *Truck operating cost = \$0.15 per tonne per kilometer*
- *10,000 tpd (chromite lump ore) x 350 km = \$525,000 per day*
- *330 days = \$173 million*
- *Train operating cost = \$0.03 per ton per mile (\$0.017/T/km)*
- *10,000 x 330 x \$0.017 = \$56 million*
- *\$173 million less \$56 million = \$117 million in savings for RR capex*

## **Railroad to the *Ring of Fire***

- ***Construction cost totals \$2,000 million***
- ***Embankment roadbed cost of \$700 million is Flow-Through***
- ***PPP Canada may contribute up to \$500 million in loan guarantees***
- ***Can \$117 million savings-in-transportation-costs mining revenue service \$800 million + F/T + PPP Canada?***

***It may not be a piece of cake . . . .***



***. . . .but we can build it and they will come!  
For generations!***



***A Field of Dreams***

