



Crown-Indigenous Relations
and Northern Affairs Canada

Relations Couronne-Autochtones
et Affaires du Nord Canada

Online map selection of mineral claims on Crown lands in Nunavut

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Canada



Nunavut Map Selection Project

Outline of the presentation

- Background
- What will remain unchanged
- Proposed amended Nunavut Mining Regulations
- 90-day transitional period
- Conversion of mineral claims
- Regulatory submission – next steps
- Consultation: Canada Gazette Part 1 prepublication (May-June 2019)





Current *Nunavut Mining Regulations* (2014) – Background

- Crown lands under the administration of the Minister of CIRNAC in Nunavut are managed pursuant to the *Territorial Lands Act* and its related Regulations, including the *Nunavut Mining Regulations*.
- *Nunavut Mining Regulations* govern mineral tenure and provides rules by which the rights to prospect and develop mineral potential of Crown lands are allocated.
- NWT devolution (2014) – modernization and division of the Northwest Territories and Nunavut Mining Regulations



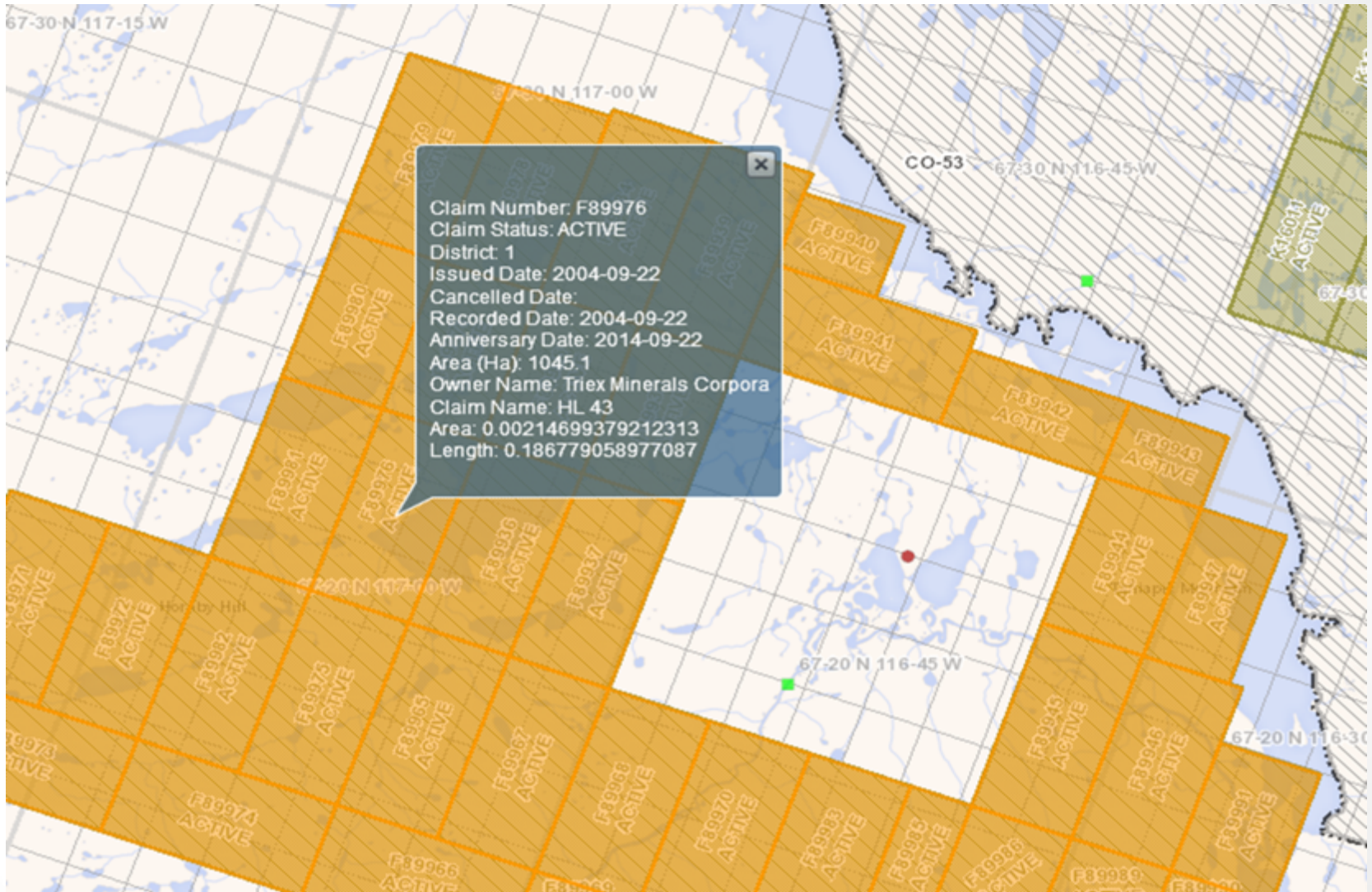


Current *Nunavut Mining Regulations* (2014) – Ground staking of mineral claims

- Under the *Nunavut Mining Regulations* (2014), mineral claims are granted under the first-come first-served principle.
- Wooden posts on the ground mark the boundaries of the claims and metal tags are inscribed with information on the timing of the staking.
- Claim can inadvertently be staked on a wrong location, possibilities of overlaps :
 - conflicts about who staked the area first may arise.
- The holder of a recorded claim has the exclusive right to prospect for Crown minerals and to obtain a mining lease on that area.



Nunavut Map Selection Project





Nunavut Map Selection – Background

- Project initiated in 2006, includes two main components:
 - multi-year IM/IT project to develop the online system (servers located in Ottawa).
 - amendments to the *Nunavut Mining Regulations* to implement the Nunavut Online Mining Rights Administration System
- The IM/IT system is developed in multiple phases:
 - Nunavut Map Viewer made public (2015)
 - Release 1.5 (2016): allows clients to obtain a username and a passcode to access limited functionality (making inquiries and printing reports on mineral tenure)
 - Nunavut Release 2 (planned for January 2021): delivering of the complete Nunavut Online Mining Rights Administration System





Nunavut Mining Regulations (2014) – What will remain unchanged

- Ministerial review
- Royalties
- Existing prospecting licences will continue their life cycle (April 1st – March 31st)
 - No change except:
 - renewal will be free
 - no renewal before January 1st
- Mining leases 21-year terms, renewable
- One year prohibition, after the cancellation of the recording of a claim or the cancellation or expiration of a lease, for the mineral right holder – or someone related to them – to acquire a claim or a lease, or an interest in them, on lands subject to the cancelled or expired permit, claim or lease.





Online system of administration of mineral rights in Nunavut

- System allows for:
 - applying and sending documents to the Mining Recorder except:
 - reports of work and accompanying documents
 - mining royalty returns
 - granting of authorizations except mining leases
 - immediate recording of mineral claims
 - public access to applications and documents re claims and leases
 - designation of agents to do transactions
- Mining Recorder approves all transactions on behalf of someone else
- Credit and debit cards will be the only accepted modes of payment.





Amended Nunavut Mining Regulations (NMRs) – Repealing of several administrative fees

- Duplicate prospecting licence (\$2)
- Prospecting licence renewal (\$2 / \$50)
- Application to record a claim or reduced-area claim (\$0.25/ha)
- Certificate of work (\$0.25/ha)
- Application for extension to do work (\$0.25/ha)
- Request to cancel the recording of a claim (\$10)





Amended Nunavut Mining Regulations (NMRs)

– Claim size and shape

- Grid based on the lands division under the *Canada Oil and Gas Land Regulations*
- Predefined units of a size varying from 10 to 25 hectares (average 18 ha)
- Maximum of 100 contiguous units in one claim (approximately 1,800 ha)
- No donut-shaped claims
- Grid coordinates of claims determined from the map
- Secure ownership of mineral claims





Web-based system – Lands excluded from the claim / Inuit owned lands (surface and subsurface)

- The web-based system will:
 - depict all lands available to be part of a claim;
 - not make available for selection units that are totally covered by lands that are not available to be part of a claim (encumbrances)
- To ensure that the Nunavut Land Claims Agreement is fully respected, the lands depicted on the online map - available for prospecting and to be part of a claim - will exclude all areas of Inuit owned lands where the Inuit own mineral rights, as well as other excluded lands.





Web-based system – Lands excluded from the claim (cont'd)

Encumbrances:

- National parks
- lands used as a cemetery
- lands subject to a prohibition on prospecting or staking a claim under an approved land use plan
- lands that have been withdrawn from disposal or set apart and appropriated by the Governor in Council under the *Territorial Lands Act*
- lands not yet reopened for prospecting or selection of units as a claim after the cancellation of mineral rights of previous holders.





Web-based system – Lands excluded from the claim (cont'd)

- The web-based system will make available for selection units that include a portion of available land and another portion of unavailable land (encumbrance)
 - Encumbrance is excluded from the claim.
- It will be the responsibility of the claim holders to determine where the boundaries of their claims are in relation to other lands.





Amended NMRs – Access to Inuit owned lands / Surface rights

- Units including lands where surface rights are owned by the Inuit (where the Crown owns the mineral rights) can be selected as a claim.
- To physically access these lands, an authorization from the appropriate Designated Inuit Organization will continue to be requested, as per the terms of the Nunavut Agreement.
- System will notify the applicant if a selected unit includes lands owned by the Inuit.





Amended NMRs – Online mineral Claims acquisition

- Claim acquisition still based on the first-come first-served principle
- No time limit to select the units making the claim
- Pre-defined time of 60 minutes maximum set by the system to apply online to record the selected units as a claim (units not available for others during that period)
- Immediate recording of claim – no discretion to the Mining Recorder
 - Subject to online payment of an up-front refundable work charge of \$45/unit (\$2,50/ha for one average size unit of 18 ha) – regardless of the size of the units.
 - To limit claim acquisition for « nuisance »





Amended NMRs – Maintenance of mineral claims

- Escalatory rate of mineral exploration work required annually to avoid the cancellation of the recording of the claim
 - cost of work per unit in the claim
 - regardless of the size of the unit or the proportion of lands excluded from the claim (encumbrances)

Years	Cost of Work per unit*
Years 1	\$45 (\$2.50/ha)
Years 2-4	\$90 (\$5.00/ha)
Years 5 to 7	\$135 (\$7.50/ha)
Years 8 to 10	\$180 (\$10.00/ha)
Years 11 to 20	\$225 (\$12.50/ha)
Years 21 to 30	\$270 (\$15.00/ha)

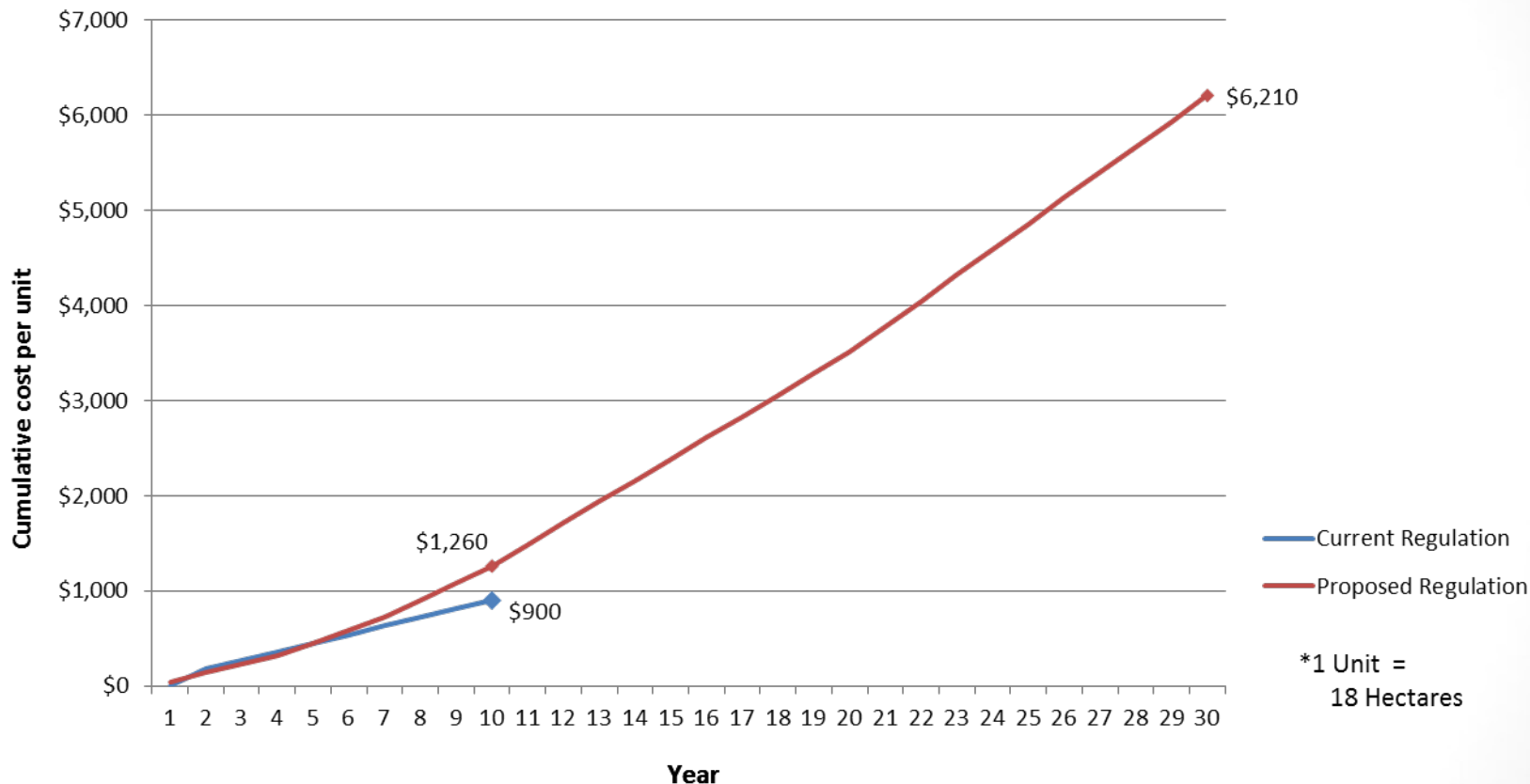
* The equivalent charges shown in brackets are for one unit with the average size of 18 ha.





Amended NMRs – Claims Maintenance (cont'd)

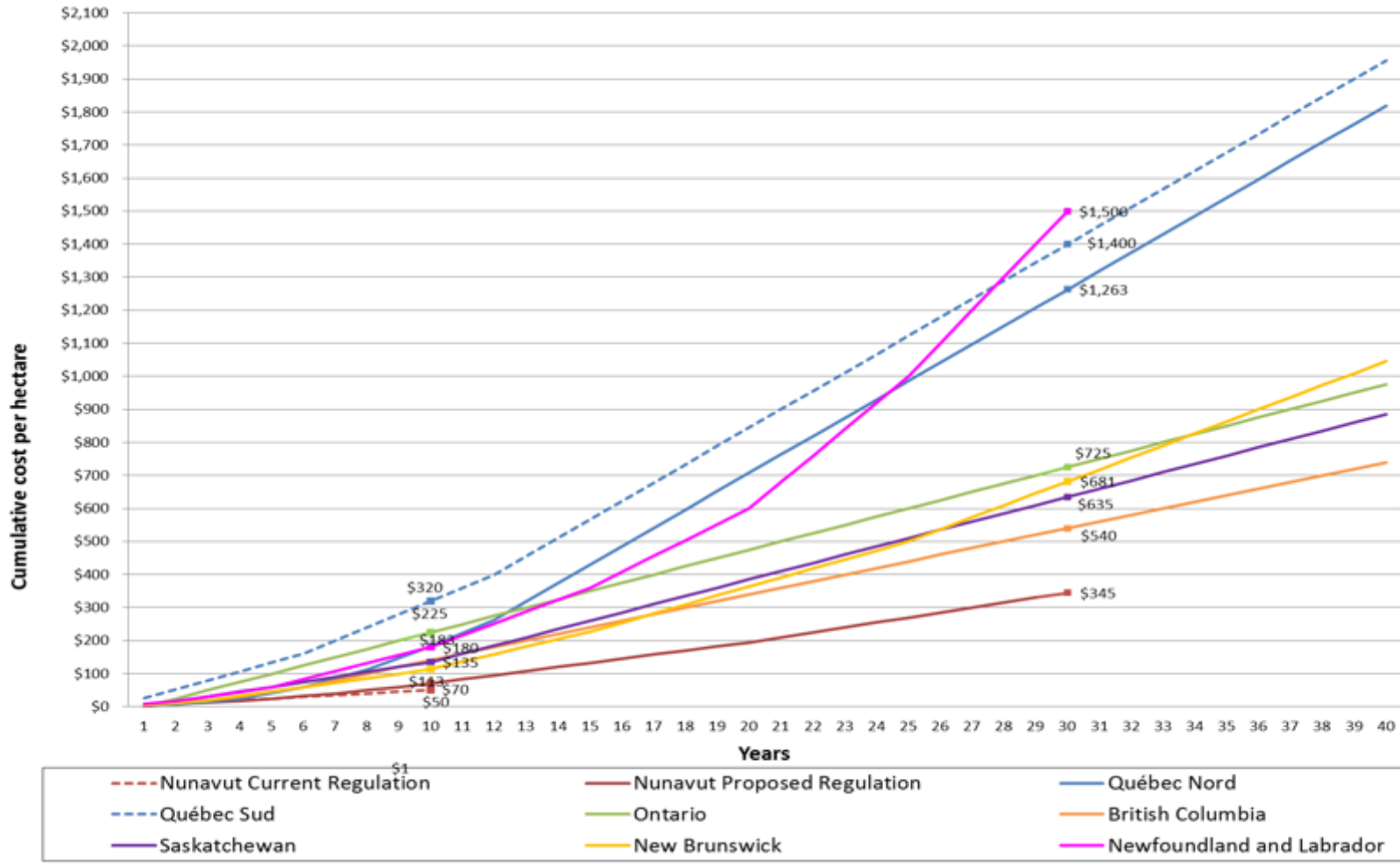
Comparative of Current and Proposed Cost of Work per Unit





Amended NMRs – Claims Maintenance (cont'd)

CUMULATIVE COST OF WORK REQUIREMENTS PER HECTARE BY PROVINCE





Amended NMRs – Claims Maintenance (cont'd)

- New duration of 30 years + any suspensions, unless the claim is leased
- New: common anniversary date for multiple claims.
- Maximum of 5 one-year periods of payment in lieu of work (full or partial) maintained
- Grouping of claims: maximum of 400 contiguous units (approx. 7,200 ha)
- Extension of the period to file a report of work from 90 to 120 days after the anniversary date of the claim
- Claim reduction once a year by removing units:
 - effect of the reduction on the cost of work requirements delayed to the next year.





Amended NMRs – Expansion of claims and reopening of lands after cancellation

- After cancellation of recording or claim reduction, if a unit still includes one or more claims, the claim that was recorded first will immediately be expanded to occupy the newly available Crown lands within that unit.
 - Avoid patchwork of small claims
 - More effective land management and mineral exploration
- As a result of the cancellation of recording or claim reduction, if a unit becomes partially or totally covered by open Crown lands, the available lands will be reopened for prospecting and selection as a claim after a uniform delay of 30 days, subject to:
 - delay if ministerial review
 - delay by the Minister if there are potential environmental damages to the lands





Amended NMRs – Exploration work reporting

- No change except:
 - Work must have been done during the 4 years preceding the filing of the report
 - A report can't cover work done during a period exceeding 12 consecutive months
 - Environmental baseline studies: accepted if done in conjunction with geological work - but capped at 10%
- No changes to Schedule 2 on reporting of exploration work





Amended NMRs – Mining leases

- Minimum of \$1,260 of work per unit in the claim (10 years' worth of work) required.
- Lease must be applied before the end of the 29th year
- No more leasing of multiple claims
- Leased claims will continue to be surveyed by a Canada Lands Surveyor using the geographical coordinates extracted from the grid.
- Copy of the plan of survey sent to:
 - adjacent claim holders
 - DIO if the claim to be leased is located on or contiguous to Inuit owned lands
- The recording of the claim will be cancelled at the end of the 30th year if no lease is issued before that date.

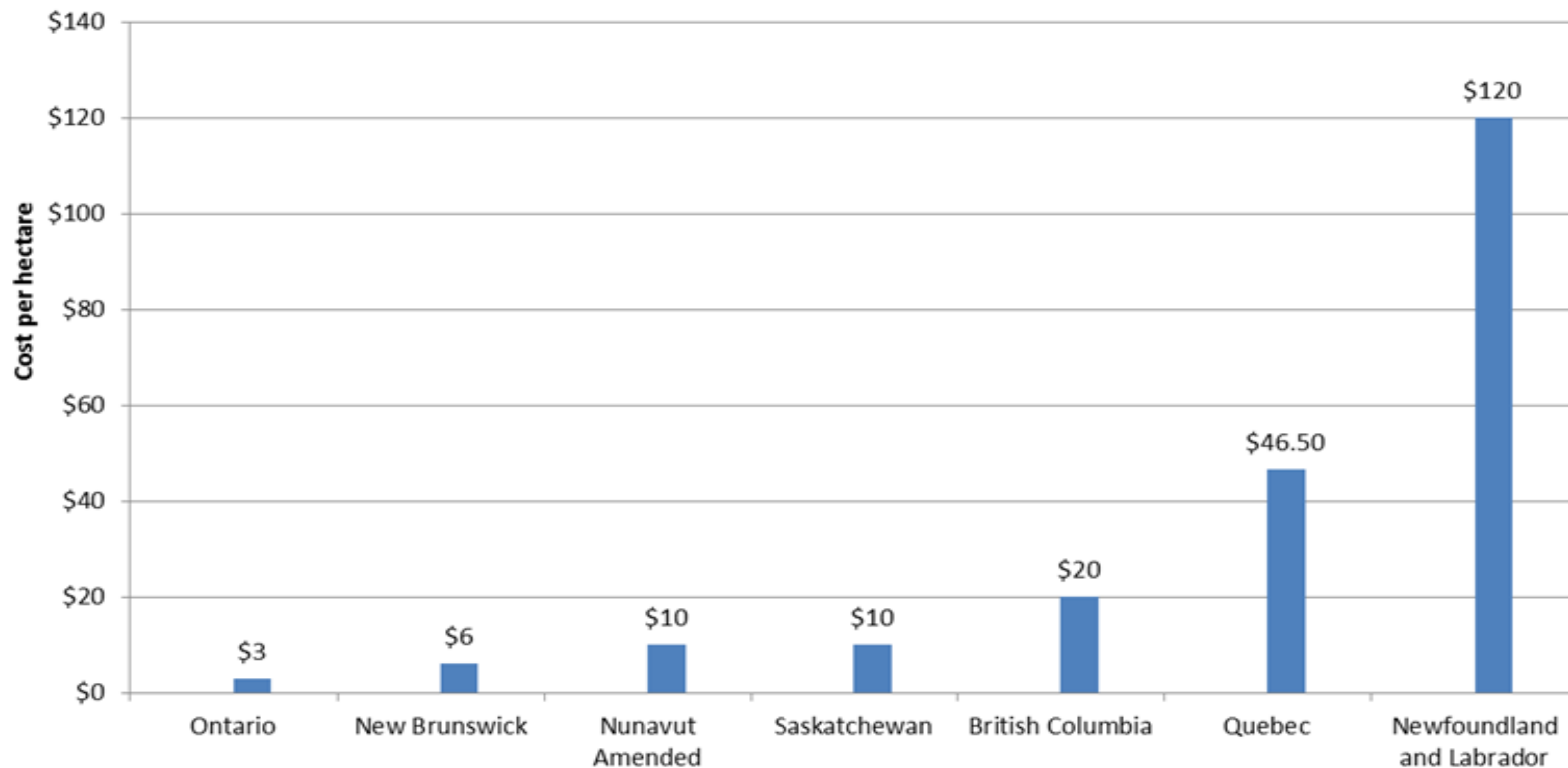
➤ No more extension to obtain a plan of survey





Amended NMRs – Mining leases (cont'd)

Rent Lease Price in Canadian Mining Jurisdictions (per hectare)

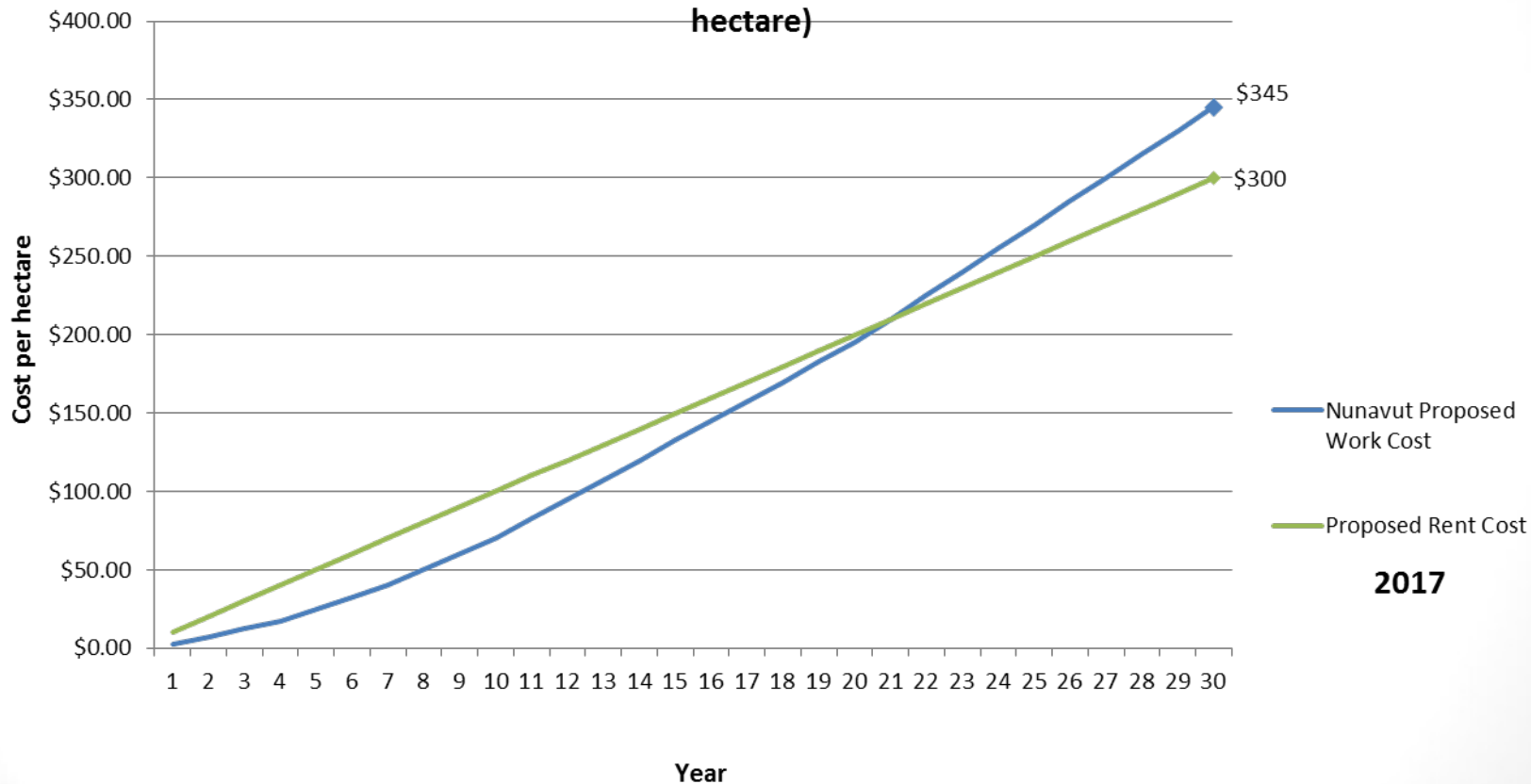




Amended NMRs – Mining leases (cont'd)

Nunavut New Regulations

Cumulative Cost of Work Requirements for Claims/Annual Rent for Leases (per hectare)



2017





Amended NMRs – Prospecting permits

- No issuance of new prospecting permits after the coming into force of the amended regulations
- Prospecting permits will be allowed to exist until they expire or are cancelled
- Current holders of prospecting permits will keep their exclusive right to acquire a mineral claim within the permits' zone (through the online system).





Amended NMRs – Transitional period

- The 90-day transitional period will begin on the coming into force of the amended regulations - planned for Nov. 2020
 - Mining Recorder to set up existing mineral claims for conversion to the grid.
- Prospecting will continue as usual
- Moratorium on staking / map selection of mineral claims not yet operational
- Pending applications managed according to the former Nunavut Mining Regulations (2014)
 - Recording of ground claims accepted if staked during the 60 days preceding the coming into force
- New applications related to claims not accepted





Amended NMRs – Transitional period (cont'd)

- Mining leases managed as usual during the transition, except:
 - applications to record a lease are not accepted
 - applications to reduce leased claims are not accepted
- Mineral claims in good standing under the former regulations maintained during that period:
 - no work obligations
 - no cancellation for failure to report work or failure to pay in lieu of work





Amended NMRs – Conversion of claims / Protection of existing rights

- To ensure that existing mineral rights are properly converted to the grid, CIRNAC's Mining Recorder's Office requests that claim holders verify the location of their claims on the Map Viewer before the coming into force of the proposed amendments to the *Nunavut Mining Regulations*.
- Claimholders have the opportunity to communicate any discrepancy and to receive a confirmation of their claims' location before their conversion to the grid.
 - Existing rights will be protected





Amended NMRs – Conversion of mineral claims

- Mandatory conversion of ground staked claims to grid-based unit claims after the transitional period i.e. on the 91st day beginning on CIF of amended regulations.
- Converted claims are made of all the grid units they occupied before conversion
- To simplify the management for claim holders, one existing ground staked claim:
 - ≡ one converted claim made of units
 - ≡ multiple converted unit claims





Amended NMRs – Conversion of claims (cont'd)

- Conversion of existing ground staked claims into unit grid-based claims:
 1. Expansion of claims to include any open Crown lands within grid units
 2. Recording of the converted unit claims
 3. Depiction of the converted claims on the online map

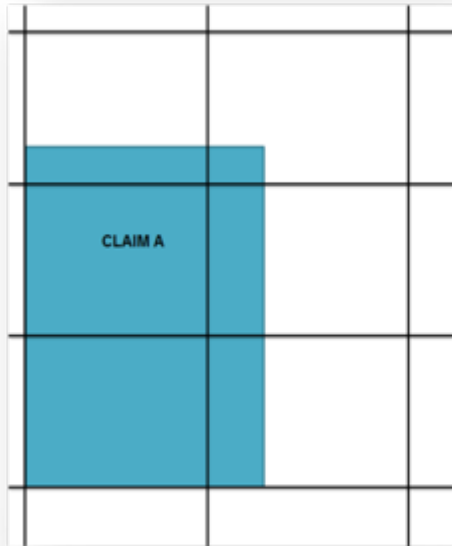




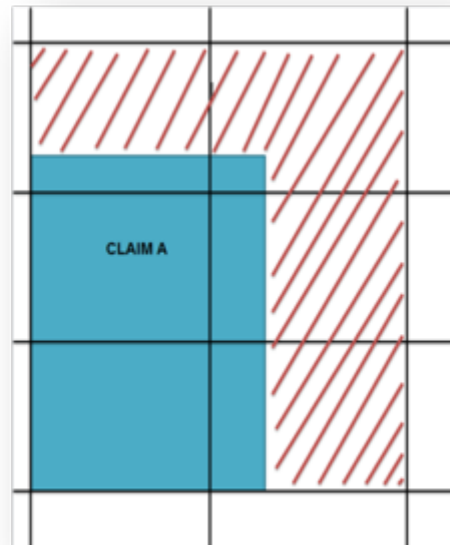
Conversion of claims – Expansion on the 91st day after CIF

- Claim expansion will increase the total area of claims in the territory by about 7%.
- Exception:
 - Existing mining leases will not be converted and expanded to grid

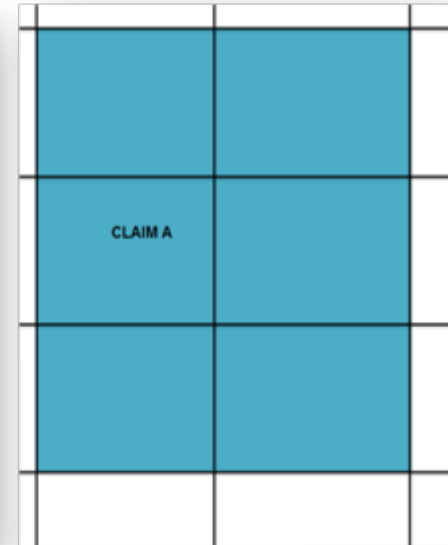
Before conversion



Conversion



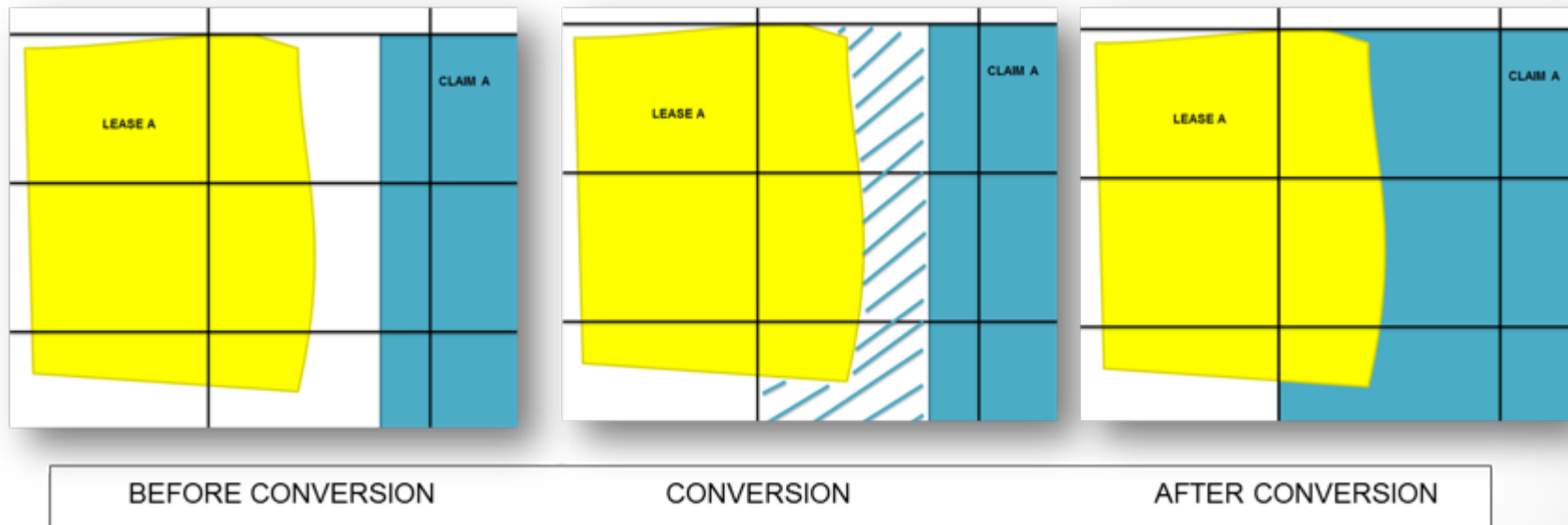
After conversion





Conversion of claims – Expansion / Encumbrances

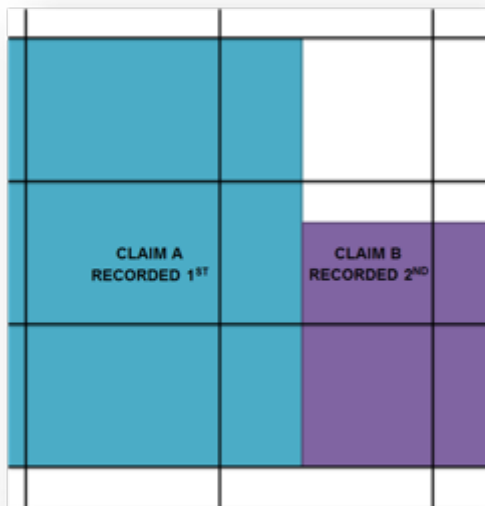
Expanded converted claims will exclude encumbrances.



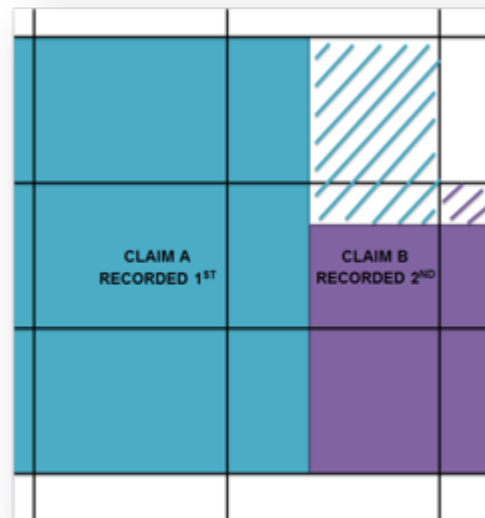


Conversion of claims – Expansion / Multiple claims sharing the same unit

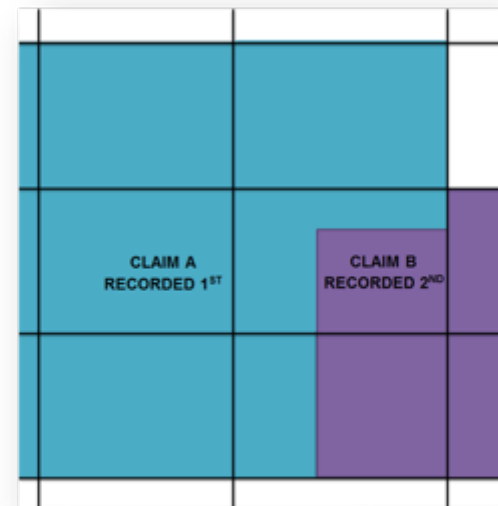
- Provisions to manage the expansion of multiple ground staked claims within a single unit (approx. 0.5% of the total area covered by claims in Nunavut).
- The claim that was staked first will be expanded to fill any contiguous open Crown land into the unit.



BEFORE CONVERSION



CONVERSION



AFTER CONVERSION





Conversion of claims – Recording of converted claims & history of claims

On the 91st day after the coming into force of the amended regulations:

- Cancellation of the recording of existing claims
- Immediate recording of the converted claims:
 - to take into account their change of status from ground staked to claims composed of units on a pre-defined grid
 - no gap in the history of the claim
- Historical aspects of claims carried forward:
 - Anniversary date, excess cost of work, payment in lieu of work and grouping
 - Excess cost of work not yet allocated: revised cost of work requirements will apply





Conversion of claims – First report of work on converted claims

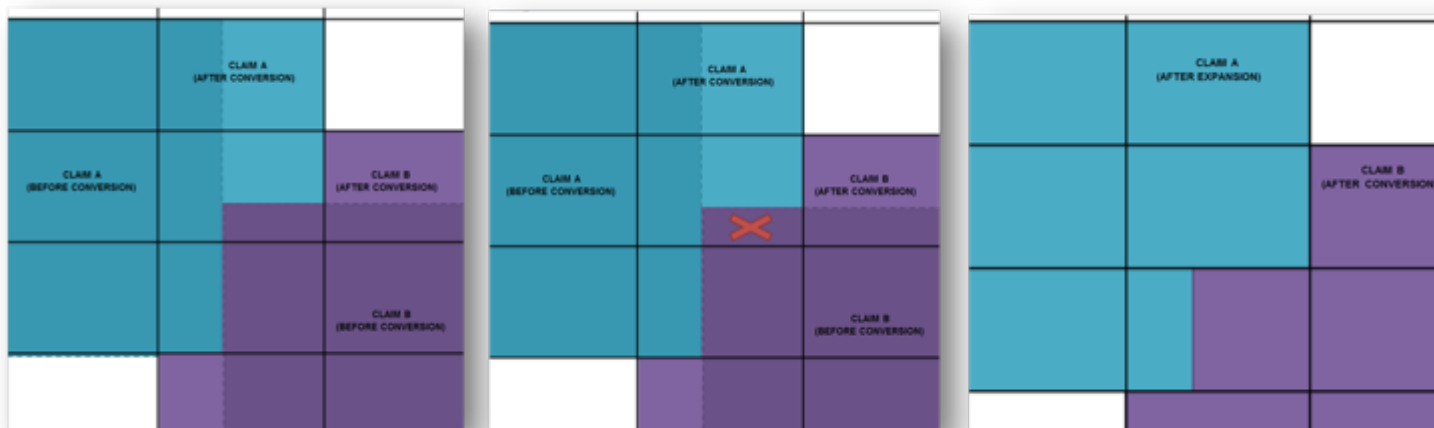
- Converted claims will keep their original anniversary date
 - Straightforward transition to the new regime
- Original anniversary date = beginning of the new 30-year duration of the converted claim
- Recognition of the excess cost of work allocated to future years under former regulations
- No requirement to report exploration work:
 - on a date that is earlier than the deadline established under former regulations
 - on a year for which the cost of work has already been allocated under the former regulations.





Conversion of claims – Claims reduction / Multiple claims sharing a unit (same claim holder)

- Cost of work requirements based on the number of units in the claim, regardless of the area of the claim within each unit
- If multiple claims owned by the same claim holder within a unit:
 - Cost of work obligations X nb of claims owned by the same claim holder





Conversion of claims – Claim expansion mitigation measure

Transitional rule – Reduction of converted claims during their first year

- Requirement to have done a minimum of 2 years' worth of work (\$135 per unit in the claim) does not apply
- No delay in the effect of the reduction of the number of units making the claim:
 - The reduced number of units, used to calculate the per unit cost of work obligation on the reduced claim, will apply to the first year of the converted claim (no delay as per the normal rule).





Next steps & *Canada Gazette* Part I Consultations

- **May 18 to June 16, 2019: Prepublication of the proposed amendments in *Canada Gazette* Part 1 for a 30 day consultation period**
- July - October 2019: Modifications to the draft in response to comments from *Canada Gazette* consultation
- November 2019 – January 2020: Approval of the final regulatory package
- Spring 2020: Publication of the amended Nunavut Mining Regulations in *Canada Gazette* Part 2 and registration
- November 2020: Coming into force of the amended regulations
- November 2020 – January 2021: 90-day transitional period with a moratorium on staking
- **End of January 2021: Online system of administration of mineral rights fully operational**





Questions?

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Visit our website Mines and Minerals of Nunavut:

<https://www.rcaanc-cirnac.gc.ca/eng/1100100036000/1547749889500>





Map selection consultations

- Stakeholders consulted over the project
 - Strong support from industry
- Project in full compliance with the Nunavut Land Claims Agreement.





Map selection consultations

- August 2012: Information package
 - 500 information packages mailed to licensed prospectors, mining industry associations, Government of Nunavut, Inuit organizations, Nunavut land claim agencies and federal departments with a mandate in Nunavut.
 - Information package posted on the Department's website.
 - 345 responses, mainly questions seeking clarifications, mostly supportive, Inuit organizations offered no written comments.
- January 2013: Face-to-face review of the regulatory proposal during the Mineral Exploration Roundup in Vancouver.
 - Comments have been addressed
- 2013- 2019: CIRNAC's participation to annual mining conventions
 - Mineral Exploration Roundup in Vancouver, Prospectors and Developers Association of Canada in Toronto, and Nunavut Mining Symposium in Iqaluit
 - Technical briefings on progress and policy changes, presentations at the booth and formal presentations at the Nunavut Mining Symposium





Map selection consultations (cont'd)

- 2013-2019: Department's public website regularly updated with detailed information of the regulatory proposal
- 2017-2019: Consultations with Inuit stakeholders
 - July 2017: Up-to-date information package describing the proposed amendments mailed to Nunavut Tunngavik Incorporated, Designated Inuit Organizations, Nunavut Surface Rights Tribunal and Nunavut Impact Review Board.
 - As land owners, the Designated Inuit Organizations (DIOs) are interested in ensuring that the rights guaranteed by the Nunavut Agreement are not undermined by the proposed amendments.
 - CIRNAC officials met face to face with the DIOs in March 2019 to discuss how the department can work collaboratively with them on the implementation of map selection.





Converted claim reduction – Expansion principle

Two or more claims in a unit – expansion principle:

- Rule: after reduction removed area included the claim that was staked first among the adjacent claims after the 30-day prescribed delay
- Ex: Removal of 3 partial units from blue Claim A
 - Claim B (purple) expansion in middle unit / Claim C (orange) expansion in upper unit
- Effect of the reduction on the cost of work obligations for the reduced claim delayed to the next year

