

UNLOCKING OUR POTENTIAL

ACQUIRING MINERAL RIGHTS IN THE NORTHWEST TERRITORIES



May 2018

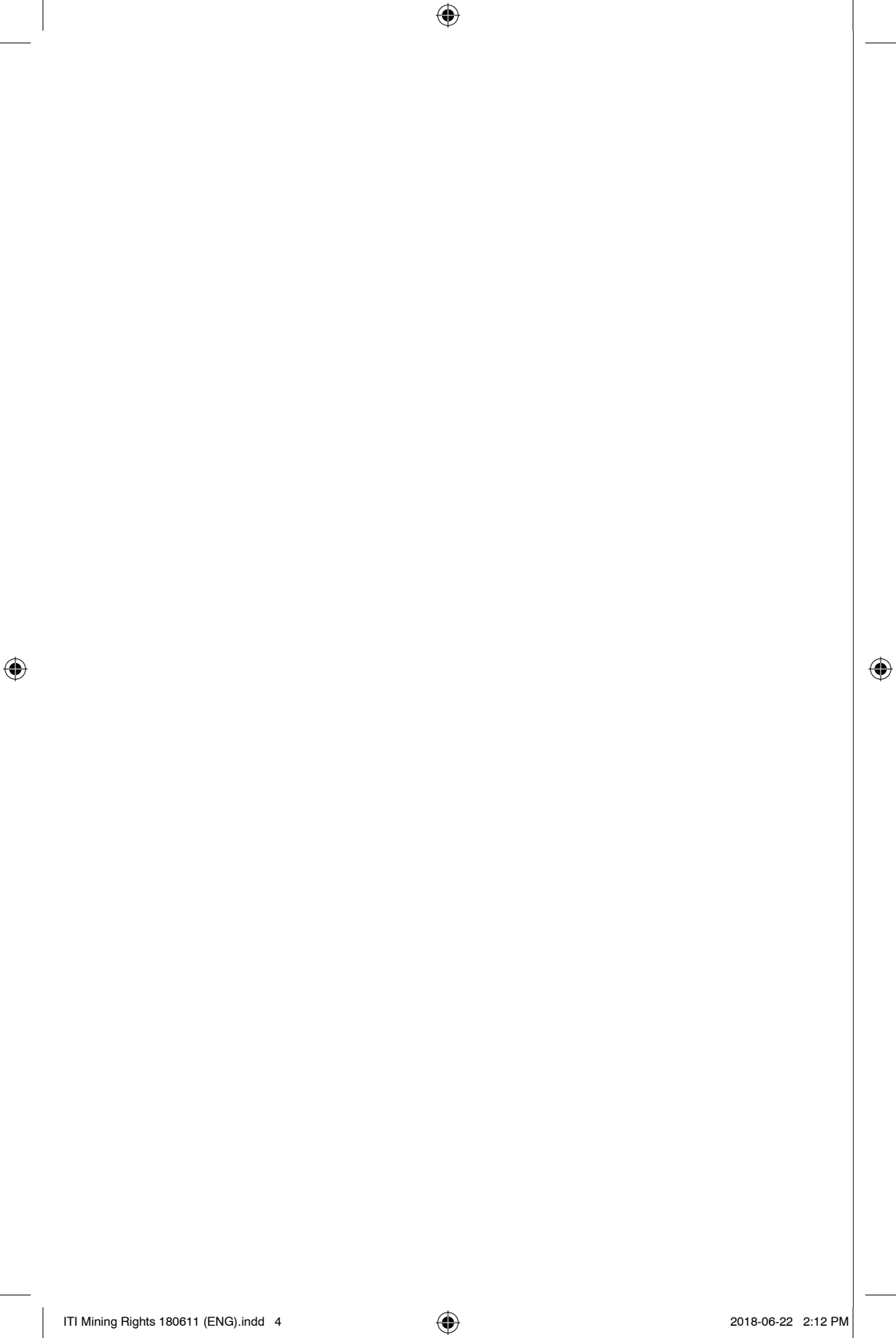
Introduction

Establishing and maintaining strong working relationships between the mineral industry and Northwest Territories (NWT) residents and community councils is a crucial element to the success of any exploration program.

To ensure a resource is well understood and that all parties have a clear idea of the proposed explorations plans, we encourage company representatives to discuss plans with Indigenous governments and residents in the area of operation as early as possible in the project. Any development can have an impact on communities and local residents, particularly on those who take part in traditional activities such as hunting and trapping. If you need assistance finding local contacts, please contact the Client Service and Community Relations unit in the Department of Industry, Tourism and Investment with the Government of the Northwest Territories.

There are three main types of mineral “interests” in the *Mining Regulations*: a mineral claim or “claim”; a prospecting permit; and a lease of a mineral claim “mineral lease”. This booklet describes how to get these interests and what you need to do to keep the interest. Summarized here are the most important sections of the *Mining Regulations* for the NWT. For further information, clarification or interpretation on the *Mining Regulations*, please refer to the regulations or contact the Mining Recorder’s Office for definitive requirements.

This document is a guide only and is not a substitute for the *Mining Regulations*.



Contents

1. Prospector's Licences	1
2. Restrictions and Permissions	1
3. Prospecting Permits	2
4. Staking Mineral Claims	5
5. Recording a Mineral Claim	7
6. Work	7
7. Grouping	9
8. Legal Surveys	9
9. Lease of a Recorded Claim (Mineral Lease)	9

1. Prospector's Licences *Section 4*

Only a licensee or a person acting on behalf of licensee may:

- prospect for the purpose of staking a claim
- stake a claim
- apply to record a claim
- apply for a prospecting permit
- be issued a confirmation of work on prospecting permits, certificate of work or a certificate of extension on a claim
- be issued a lease of a recorded claim or a renewal of lease
- acquire, alone or with another licensee, a prospecting permit, recorded claim or lease of a recorded claim

You can obtain a prospector's licence on application to the Mining Recorder's Office (MRO) if you are 18 years of age or older or if you are a company that is incorporated or registered and in good standing under the *NWT Business Corporations Act* or the *Canada Business Corporations Act* and have paid the applicable fee.

A prospector's licence is valid from April 1 to March 31, or on the date of issue until March 31, and you must renew it each year to keep your licence active.

Prospector's licences are not transferable.

2. Restrictions and Permissions *Sections 5 and 6*

Prospecting and staking claims is prohibited on the following lands:

- lands used as cemeteries
- lands covered by a prospecting permit, a recorded claim or lease of a recorded claim, unless the prospecting or staking is done by the permittee, claim holder or agent on their behalf
- lands for which the minerals have been granted by the Crown or Commissioner
- lands subject to a prohibition on prospecting or staking a claim under an approved land use plan or a land claims agreement
- lands that have been withdrawn from disposal or set apart and appropriated by the Commissioner in Executive Council
- lands that are not open for prospecting or staking

If you are prospecting or staking near privately owned land or leased

land, the regulations prohibit anyone from going on the surface of those land parcels/lots, unless:

- the surface rights holder has consented to entry for the purpose of prospecting or staking or an order authorizing entry has been made by a tribunal competent to deal with surface rights in the NWT, and compensation to the surface holder, if any, is set out in the order.

In areas of settled land claims, you may find large areas where the surface is privately owned, but the subsurface is still managed by the Crown or the Commissioner. In those areas, you must have permission to enter the land or give prior notice before you can go and stake claims.

The Mining Recorder's Office checks all Applications to Record a Mineral Claim to ensure there are no conflicts with Sections 5 and 6 of the *Mining Regulations*. If you plan to prospect or stake a mineral claim on leased or private property, you must include relevant authorization from the property holder concerning access, or your mineral claim(s) will not be recorded.

3. Prospecting Permits Sections 8 to 22

An individual or company with a valid prospector's license can apply for a prospecting permit between February 1st and the close of business on the last business day of November before the year in which the permit is to commence (the year it is issued). If the application is approved it will come into effect on February 1st, in the year it is issued. A prospecting permit will allow you to prospect in an area covered by the permit, without competition for a period of three or five years, depending on the area.

If you are working north of 68° latitude a permit can be held for five years. If you are working south of 68° latitude a permit can be held for three years.

If you have done the required work set out in the *Mining Regulations* in the permit area, mineral claims may be staked. Once your permit has expired or been cancelled you cannot stake a claim in that area for a period of one year.

The application fee for a prospecting permit is \$25. A charge (deposit)

SAMPLE CLAIM SKETCH

(also shows typical inscriptions required on the corner and boundary posts)

North Boundary Posts

Required information	Example inscription on post
<ul style="list-style-type: none">- Claim name- Boundary Post Number	<ul style="list-style-type: none">- Harry 1- NBP 1 (means north boundary post No. 1)

Northwest Corners

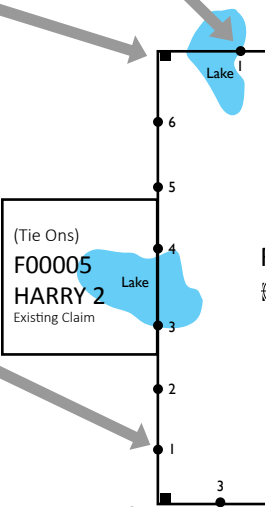
Required information	Example inscription on metal claim tag
<ul style="list-style-type: none">- NW (metal tag)- Name of claim- Name of staker (also indicate if claim is staked on behalf of another person or a company who will be the recorded holder)- Date and time of post placement	<ul style="list-style-type: none">- NW 4 F00004- Harry 1- Staked by: L. Bond- Staked for: Golden Way Mines <p>- 25-07-15 at 4:45pm</p>

West Boundary Posts

Required information	Example inscription on post
<ul style="list-style-type: none">- Claim name- Boundary Post Number	<ul style="list-style-type: none">- Harry 1- WBP 1 (means west boundary post No. 1)

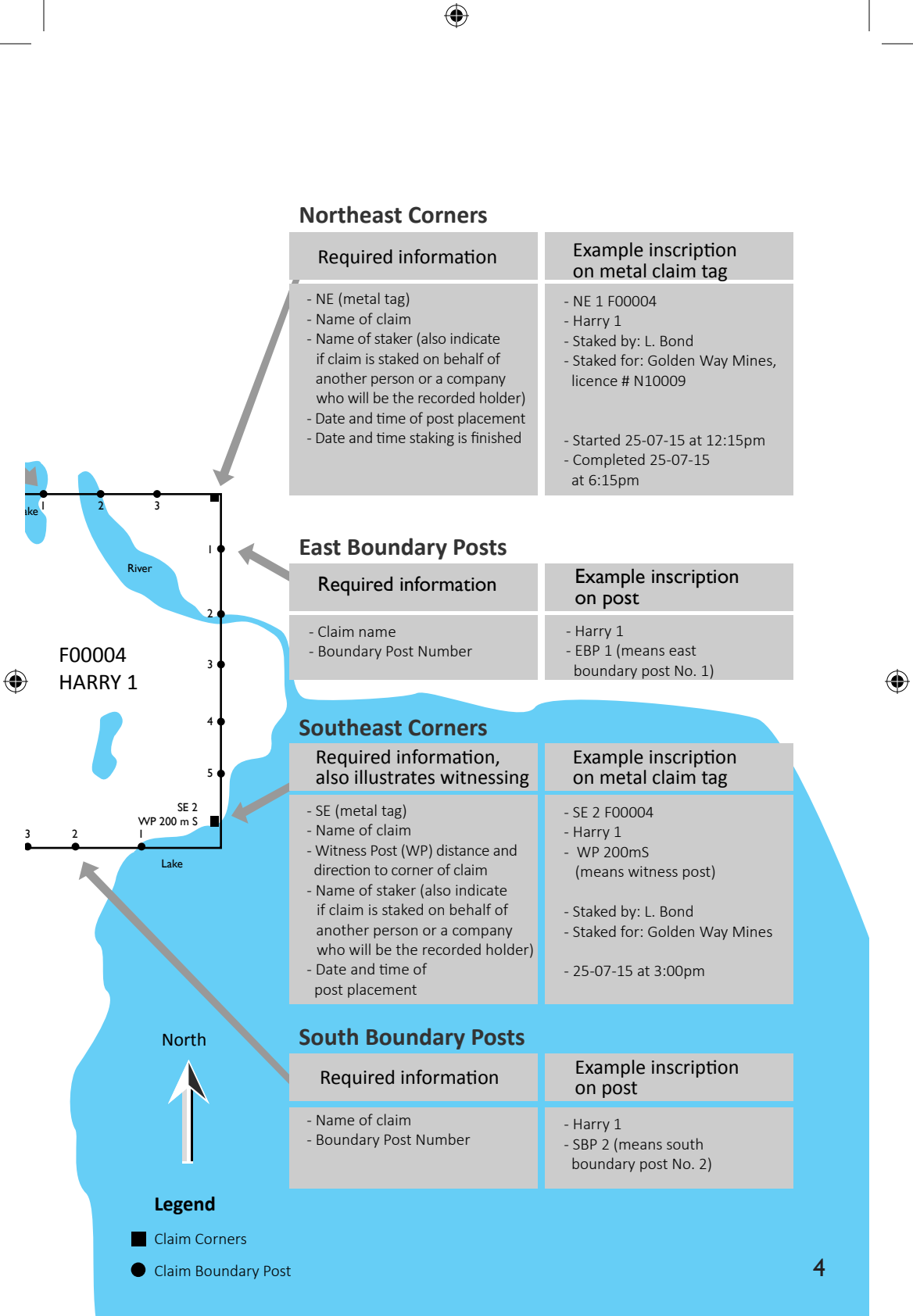
Southwest Corners

Required information	Example inscription on metal claim tag
<ul style="list-style-type: none">- SW (metal tag)- Name of claim- Name of staker (also indicate if claim is staked on behalf of another person or a company who will be the recorded holder)- Date and time of post placement	<ul style="list-style-type: none">- SW 3 F00004- Harry 1- Staked by: L. Bond- Staked for: Golden Way Mines <p>- 25-07-15 at 3:00pm</p>



Staking Sketch – Mineral Claims F00004 – Map Area 76 D 3

- Notes:
- All tie ons to existing claims and leases are required to be shown.
 - Boundary Posts must be numbered and marked in the field in accordance with the *Mining Regulations*. However, claim sketches can be marked with the Boundary Post number as shown in this sketch, with the following written on the side of the sketch; “All Boundary Posts are marked in the field as NBP, SBP, EBP, & WBP and numbered consecutively”



The application fee for a prospecting permit is \$25 and first work period charge (deposit) is 25 cents/hectare, due on submission of application. The second work period charge (deposit) is 50 cents/hectare and third work period charge (deposit) is \$1/hectare. If you do not pay the required charge (deposit) prior to the second and third work periods your permit will be cancelled.

4. Staking Mineral Claims Sections 23 to 30

If you have a valid prospector's licence, you can stake, or have staked for you, a mineral claim. The diagram on pages 3 and 4 shows what a claim should look like on the ground.

The claim must:

- be no bigger than 1,250 hectares
- not include any of the lands described under Section 5

The claim must, or as nearly as possible, meet all of the following specifications:

- be rectangular in shape, with the sides running north, south, east and west
- have angles that are "right" angles (90° angles)
- the boundaries must be 500 metres or multiples of 500 metres. The length of the longest side of the claim cannot be more than five times the length of the shortest.

Each corner of the claim must be marked by a legal post. The post must be firmly planted in or on the ground, upright, and at least one metre high. It has to be at least 4 cm on all four sides, or it can be a cut-off tree, with the upper 30 cm squared off so that each face of the squared portion is not less than 4 cm in width. The posts must be numbered in a clockwise direction.

Where there are no trees, wooden posts or mounds of stone can be used. A mound of stone must be coned-shaped, no less than one metre in diameter at the bottom, and at no less than 50 cm high.

Identification Tag (claim tag), (available from the Mining Recorder's Office for \$2 per set) must be securely attached to each corner post. If a mound of stones is used, the tag should be put in a shatterproof and waterproof container secured in the top of the mound.

All corner posts must be marked with *(see Sample Sketch on page 3-4)*:

- the name of the claim
- the name of the person who erected the post, if that person is not the licensee (claim holder)
- the name of the licensee for whom the claim was staked
- the date and time that the post was erected
- the witness post (WP) distance and direction if applicable

In areas with trees, the boundary lines shall be marked by blazing trees or cutting underbrush and flagging. Legal posts, known as boundary posts, must be put up no more than 500 metres apart along the boundary of the claim and numbered in a clockwise manner, starting with number one from each corner post (see diagram). In areas without trees you can use either a legal size wooden post or a mound of stones numbered in a clockwise manner as noted above.

Each boundary post must be marked with *(see Sample Sketch on page 3-4)*:

- the name of the claim
- the number of the boundary post
- one of the following:
 - on the northern boundary, the letters NBP or BLN
 - on the eastern boundary, EBP or BLE
 - on the southern boundary, SBP or BLS
 - on the western boundary, WBP or BLO

When you are finished staking the mineral claim you must clearly mark on the tag of the NE1 post the licence number of the person for whom the claim is staked and the date and time that you finished.

If a corner post cannot be set up because of a lake, river or other natural barrier, put up a witness post:

- on the boundary line or extension of the boundary line,

whichever is closer to the actual location and as near as practicable to the corner or

- if not practicable to erect it at one of the locations noted above, at a location as near as practicable to the corner.

The tag must be marked with all of the information needed on tags for corner posts, along with:

- Beside the word WP on the claim tag, inscribe the direction (compass bearing) in a straight line and distance in metres to where the corner post should have been erected

If a mound of stones is used as the witness post, the information listed above shall be written on paper or other durable material and put in a shatterproof and waterproof container secured in the top of the mound.

5. Recording a Claim Sections 33 to 35

Once a mineral claim has been staked you have up to 60 days to submit an application to the Mining Recorder's Office. To record the mineral claim, the Mining Recorder's Office requires:

- an Application to Record form
- a 1:50,000 map or sketch of the claim which must show (*see Sample Sketch on page 3-4*):
 - the location of the claim in relation to permanent topographical features in the area of the claim
 - any nearby prospecting permit zones, recorded claims and leased claims
 - the positions of the corner posts
 - the positions and numbers of the boundary posts
 - the positions of any witness posts and information (i.e SE2 WP 220mS)
- the correct fees (25 cents/hectare)

6. Work Sections 39 to 45

A mineral claim remains valid if the required amount of “work” is completed and recorded on the claim. Once recorded, a claim is valid for a period of two years, requiring \$10/hectare of work. For each subsequent year (period) the work requirement is \$5/hectares. Work is due at the end of each period. If a claim is kept valid, it can be held up to 10 years.

Section 1 of the *Regulations* defines work to include:

- a.
 - i) examining of outcrops and surficial deposits
 - ii) excavation
 - iii) sampling
 - iv) geochemical study or analysis
 - v) drilling
 - vi) geological mapping
 - vii) geophysical study or analysis
 - viii) remote sensing (for the purpose of i to vii)
 - ix) placing of grid lines in the field (for the purpose of i to vii)
 - x) petrography
 - xi) data analysis, map generation and preparation of reports that are submitted under the *Mining Regulations* respecting i to viii and x
- b. preparing a plan of survey of the claim approved under the *Canada Lands Survey Act*
- c. building roads, airstrips or docks to provide access to the claim
- d. environmental baseline studies

A work report must be filed with the Mining Recorder’s Office to keep a claim in good standing along with:

- the filing fee of 25 cents/hectare
- a statement of work in the prescribed form
- a statement of expenditures – a table identifying the cost of work by type including details of the costs sufficient to enable

evaluation of the report

- a cost allocation table - a table identifying the cost of work that is attributable to each claim

Reports must be prepared as required by Schedule 2 of the regulations.

If the required amount of work is not completed, an extension (payment in lieu of work), can be filed, in the prescribed form, along with:

- the filing fee of 25 cents/hectare
- the deposit in lieu of work

The regulations allow for a maximum of three consecutive extensions before work must be filed.

7. Grouping Section 46

Recorded claims may be grouped for the purpose of allocating the cost of work done if the following conditions are met:

- request submitted in the prescribed form, signed by each claim holder
- fee submitted - \$10 per grouping
- the claims are contiguous
- the total area of the group does not exceed 5,000 hectares
- none of the claims are leased

Work done on any claim in the group can be spread to all the claims in the group. If a claim is cancelled or a new grouping certificate takes effect for any of the claims in the group, or a lease of any claim in the group takes effect, the grouping ceases to exist.

8. Legal Surveys Sections 57 to 59

Before a mineral claim can be leased, it must be surveyed in accordance with the *Canada Lands Surveys Act*. The survey must be recorded before issuance of a lease. Adjoining claim holders must be notified of the survey with a Notice of Survey Form by registered mail or courier. A copy of the plan of survey, any overlap report, the notice and proof of delivery to adjacent holders must be submitted to the Mining Recorder's Office.

9. Lease of a Recorded Claim (Mineral Lease)

Sections 7(2), 33(5), 60 to 62

You can apply for a lease of your mineral claim if you have completed a sufficient amount and type of work. There must be at least \$25 per hectare of work recorded on the claim. A maximum of \$5/hectare may be from the costs of the survey, or construction of any roads, airstrips or docks.

A legal survey of the claim must be recorded before the lease is issued.

You must have a lease if you intend to sell or otherwise dispose of minerals with a gross value of more than \$100,000 in one year.

Your mineral claim will expire if you do not apply for a lease before the end of the 10 year period of the claim. The application must be submitted with the fee of \$25 per claim. A lease will be issued for a period of 21 years if all requirements are met, including a legal survey and paying the rent for the first year.

To renew a lease, you must submit a written request at least six months prior to the expiration of the existing lease, along with the applicable fee.

Important Web Links:

Industry, Tourism and Investment
<http://www.iti.gov.nt.ca/>

Mineral Resources Division
<http://www.iti.gov.nt.ca/sectors/mines-minerals>

Mining Recorder's Office – Access to Mineral Tenure Map
Viewer and Regulations
<http://www.iti.gov.nt.ca/infopage/mining-recorders-office>

General Enquiries

Any questions concerning the *Mining Regulations* should be directed to the Mining Recorder, 2nd Floor, Scotia Building in Yellowknife, telephone number **(867) 767-9210 ext. 63464** or by writing to:

Mining Recorder's Office
Department of Industry, Tourism and Investment
Government of the Northwest Territories
P.O. Box 1320
Yellowknife NT X1A 2L9
Fax: (867) 669-7302
Email: miners@gov.nt.ca

Questions concerning the overall regulatory framework for mineral development can be directed to the Mineral Resources Division, Scotia Centre in Yellowknife, telephone number **(867) 767-9209 ext. 63161**, or by writing to:

Mineral Resources Division
Department of Industry, Tourism and Investment
Government of the Northwest Territories
P.O. Box 1320
Yellowknife NT X1A 2L9
Fax: (867) 873-0254
Email: mining@gov.nt.ca

Questions concerning work or geology can be directed to the NWT Geological Survey, Yellowknife, telephone number **(867) 767-9211 ext. 63469**, or by writing to:

NWT Geological Survey Office
P.O. Box 1320
Yellowknife NT X1A 2L9
Email: NTGS@gov.nt.ca

Government of
Northwest Territories