



Northwest
Territories Industry, Tourism and Investment

Unlocking our Potential

NORTHWEST TERRITORIES MINERALS AND PETROLEUM

Coal Exploration Licence Reviewer Guidelines

Industry, Tourism and Investment,
Government of the Northwest Territories

The purpose of the *Coal Regulations* (CR) is to allow for the orderly exploration, discovery, development and mining of coal resources found in the Northwest Territories (NWT). They are regulations made pursuant to the *Northwest Territories Lands Act* and are administered by the Mining Recorder's Office in Yellowknife. These guidelines are meant to assist in understanding how the exploration licence sections of the CR (s. 35 – 46) will be administered.

To date there has never been an operating coal mine in the Northwest Territories. Applicable land use legislation must be followed throughout all stages of the coal project life-cycle: exploration, development, mining operation and closure. An exploration licence is the first step in developing a project which can take ten years or more to go from exploration to production. The locating of (staking), application for, and issuance of a coal lease or a coal permit is required for extraction (mining) of coal for commercial or personal use. A coal exploration licence does not authorize the holder to develop a coal mine. Coal exploration licences are not transferable.

The Department of Industry, Tourism and Investment (ITI) manages the rights to any coal found on lands that the Commissioner of the NWT acquired administration and control of on or after April 1, 2014. Exploration licences for coal are similar to prospecting permits for minerals. Historic records show that the CR evolved from sections of the *Dominion Lands Act (Canada)*. In establishing this Act, Canada wanted to enable settlers in the NWT to have access to coal for heating and energy purposes and to develop the coal resources as a source of income. A reflection of this past can be seen in the sections of the CR related to permits for personal use (s. 23 – 34).

While coal is mined for use as an energy source using methods similar to mineral mining, it is an organic substance and is therefore classified separately from minerals, which are inorganic. Coal exploration and the information which is gathered through that exploration will generate economic activity, as well as contribute to the knowledge of coal potential in the NWT. Please contact the Northwest Territories Geoscience Officeⁱ in Yellowknife for more information on the coal potential of the NWT and reports regarding historical exploration work which has been undertaken.

In order to provide applicants with information about the areas they are proposing to explore, ITI sends out packages of the application information for a technical review by other government departments and groups. This is similar to the procedure for issuing prospecting permits. What you can expect:

1. Coal exploration licences do not have a set application period or review and issuance period. Applications are received and issued year round based on the date they are received.
2. Coal exploration is not very common in the NWT. In general, ITI will apply the principles that have been accepted in prospecting permit issuance to coal exploration licences. These principles include: issuance within a reasonable service standard time period of 90 days from receipt of application and the opportunity to pass on review information to applicants and promote information sharing through early dialogue. This will offer proponents greater predictability.
3. The Mining Recorder's Office (ITI) will conduct technical reviews regarding the applications with organizations that have other interests in the area which is proposed for coal exploration. The organizations will be given details about the application and coal exploration in general and are encouraged to provide relevant comments back to ITI which will then be relayed to the applicant.
4. Surface access is not included with the exploration licence. The licence holder is expected to apply for any land use and water use authorizations, meet any other regulatory requirements and conduct consultations with communities as needed.

5. The CR sets out the following as a list of lands not available for exploration licensing:
 - a. land used as a cemetery
 - b. land within the limits of an unincorporated community, a municipality or a development area under the *Area Development Act*
 - c. land reserved for an Indian Reserve, a national park or game sanctuaryⁱⁱ or for military or other public purposeⁱⁱⁱ
 - d. land reserved under the *Dominion Water Power Act (Canada)*
 - e. land lawfully occupied for mining purposes (active and pending mineral claims, prospecting permits and mining leases pursuant to the *Mining Regulations* as well as active and pending coal leases, coal exploration licences and coal permits pursuant to the CR)
6. The timeline for the return of technical review comments mentioned in number 3 above will be 4 – 6 weeks.
7. The comments received from the technical reviews will be taken into consideration when ITI makes the decision to issue or not issue the exploration licences. Comments must be directly related to coal exploration to be considered, and must contain specific, fact based justifications for any recommendations. Examples include: lands that have just been formally identified to be reserved from use, lands subject to approved land use plans that prohibit exploration in certain areas, etc. Blanket comments simply stating that no exploration is to be allowed in large areas will not be considered. It is important to keep in mind that land access through the land use permit process will address mitigation measures.

We invite comments that will provide the applicant with an understanding of what to do and who to consult with as they move into the land access stage, as well as lists of local business services available for the early exploration phase.

Contact Information:

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ⁱ Contact information and online searches can be performed here: <http://www.nwtgeoscience.ca/index.html>

ⁱⁱ "Game sanctuary" means territorial lands that have been withdrawn from disposal under section 19 of the *Northwest Territories Lands Act* (NWTLA) for the purpose of the creation of a game sanctuary. To date, the only game sanctuary that has been created by way of land withdrawal under the NWTLA is the Thelon Game Sanctuary, *Land Withdrawal Order (Dubawnt Lake)*.

ⁱⁱⁱ Examples of public purpose include: public docks, schools, bridges etc. Lands would be withdrawn from disposal under section 19 of the NWTLA. The area applied for will be reduced using the boundaries that are recorded in the withdrawal order.