



MINING INCENTIVE PROGRAM PROSPECTOR APPLICATION GUIDELINES

Purpose:

Mineral exploration is vital to a healthy, sustained and productive mining industry. The Mining Incentive Program (MIP) is intended to stimulate and sustain mineral exploration activities throughout the Northwest Territories (NWT) and reduce the risk associated with grassroots mineral exploration. The MIP provides funding to individual prospectors who propose new exploration projects or are already carrying out NWT mineral exploration work.

Maximum Funding per Applicant:

Eligible prospectors may apply for exploration grants of up to \$25,000.

Eligibility:

- Applicants require a valid NWT Prospecting License (available at the [Mining Recorder's Office](#)).
- Applicants must possess a registered Canadian bank account for the transfer of grant money.
- Applicants may only submit proposals for areas in which they have the legal right to conduct exploration (information on staking is available at the [Mining Recorder's Office](#)).
- Applications must propose a well-conceived and technically sound exploration program to be considered for MIP funding. Applications will be evaluated by the expert staff of the Northwest Territories Geological Survey (NTGS) and other divisions of the Department of Industry, Tourism and Investment (ITI).
- Applications that maximize the use of NWT goods and services will be ranked higher than comparable applications that do not provide this benefit to the NWT.
- Eligible expenses must be incurred during the period extending from April 1, 2024 to March 31, 2025.
- It is the applicant's responsibility to ensure that the proper permitting is in place and that work programs comply with existing laws and regulations (information on the Mining Regulations is available at the [Mining Recorder's Office](#)).
- Applicants are strongly encouraged to discuss their exploration activities with local communities.
- Applicants are strongly encouraged to design their proposed programs in a manner that is consistent with the highest industry standards for Environmental, Social and Governance (ESG) factors.
- Some resources for current best practices in ESG can be found on the [Prospectors and Developers Association of Canada website](#).
- To remain eligible for MIP funding, applicants must be prepared at all times to demonstrate compliance with current orders and guidance from the Chief Public Health Officer (CPHO) of the NWT.
- Any project that fails to meet any MIP eligibility criteria will not be considered for MIP funding or may have allocated funding withdrawn.

How to Apply:

Deadline: April 26, 2024 (11:59 Mountain Daylight Time)

To apply for an MIP exploration grant, applicants must submit a completed application form to:

Northwest Territories Geological Survey
Industry, Tourism and Investment
4601-B 52 Avenue
P.O. Box 1320
Yellowknife, NT
X1A 2L9
Email: NTGS@gov.nt.ca

Application forms can be downloaded at www.nwtgeoscience.ca/mip. Applications must be either dropped off, mailed, or submitted via email to the NTGS office before the application deadline on April 26, 2024.

Please review the **Prospector MIP Evaluation Guidelines** in this document before filling out the application form. Vague or incomplete applications will not be considered for funding; projects will only be evaluated based on the information provided in the project application; ensure that your application provides enough information to properly evaluate your project. Be sure to include all of the necessary attachments with the completed application form:

- National Topographic System (NTS) map(s) clearly outlining work location, regional infrastructure (including roads, airfields, ports and mine sites), claims, proposed sampling grids, and any other relevant information, using an appropriate scale and Universal Transverse Mercator (UTM) North American Datum (NAD) 83 projection coordinates
- Additional maps or supporting evidence (geology, geophysics, cross-sections, *etc.*)
- List of specialized equipment required
- Proof of the necessary permits and/or licenses
- MIP Acknowledgement of Compliance Checklist

Application Process:

The MIP budget is limited, and a competitive evaluation process is used to determine the most worthy applicants. It is expected that not all applications will be funded.

Prospector applications to the MIP will be comparatively scored based on the following criteria: past MIP performance, proposed exploration approach, and use of NWT goods and services. Consult the **Prospector MIP Evaluation Guidelines** for a detailed account of how each evaluation criteria is assessed and scored.

Successful applicants will be issued a contribution agreement to review and sign. Once a signed contribution agreement has been returned to the NTGS, successful applicants will be awarded their grant. Proposals that are not funded initially may be offered funding later in the year, should funding become available.

Exploration programs must be completed as described in the application. Any significant changes to the exploration program must be approved in advance by the MIP staff. Unapproved costs will be rejected; other unapproved changes may result in grant forfeiture and may affect the funding recipient's eligibility for future MIP funding.

Prospector MIP Evaluation Guidelines:

Prospector applications will be comparatively scored based on the following criteria:

- I) Applicant's Past Performance in the MIP**
- II) Proposed Exploration Approach**
- III) Use of NWT Goods and Services**

Each category will be assigned a score from 0-10 for a final score out of 30.

Detailed Criteria with Assessment Guidelines:

I) Applicant's Past Performance in the MIP

Criteria:

- The project is completed as described in the application
- The project is not under-budget
- The NWT spending obligations for the project are met
- The work specified in the application is carried out as planned
- The quality of the work and reporting
- Clarity, accuracy, and timeliness of the MIP reports from the previous years
- Quality and quantity of the geological data or mineral discoveries

Assessment:

- (0-1) The program was substantially incomplete or did not proceed.
- (2-4) The program was completed late; unapproved changes to the program were made; or reporting practices were unacceptable (*i.e.*, late reporting; or substantial unclear, missing, or inaccurate information/data/receipts/or invoices).
- (5-6) The program was satisfactorily completed with standard reporting practices.
- (7-8) The program was satisfactorily completed with clear, accurate, and timely reporting practices.
- (9-10) The program produced results that directly enhanced the value of the property/area with clear, accurate, and timely reporting practices.

Once the MIP programs are completed, each funding recipient will be assigned a performance score that will be included in the evaluation of future MIP applications. First-time MIP applicants lacking an MIP performance history will be assigned the average performance score of all the applicants. Multi-year applicants will be assigned their own average score, (using up to the previous three years').

II) Proposed Exploration Approach

Criteria:

- The proposed Exploration plan reflects an organized and systematic approach to constrain or develop exploration targets using technically sound methods.
- Demonstrates knowledge of geology and past exploration activities in proposed area.
- The program rationale adequately explains why the given methods of exploration were chosen.

Assessment:

- (0-1) The exploration plan is poorly organized and uses technically unsound exploration methods; the program rationale is poorly explained.
- (2-4) The exploration plan is poorly organized or uses technically unsound exploration methods; or the program rationale is poorly explained.
- (5-6) The exploration plan is organized and uses technically sound exploration methods; the program rationale adequately explains the methods of exploration using relevant knowledge of geology or past exploration (if available).
- (7-8) The exploration plan is well organized and uses technically sound exploration methods; the program rationale clearly explains the methods of exploration using relevant knowledge of geology or past exploration (if available).
- (9-10) The exploration plan is very well organized and uses technically sound exploration methods; the program rationale very clearly explains the methods of exploration using relevant knowledge of geology or past exploration (if available).

III) Use of NWT Goods and Services

Criteria:

- NWT goods and services are used as much as possible to maximize benefits to NWT businesses and residents.

Assessment:

- The percent of eligible NWT spending for a project will be calculated then converted to a score out of ten (rounded to the nearest integer).
- A record of eligible NWT spending will be provided by funding recipients in their final reporting to track this economic impact. If the proposed NWT spending goals for the project are not met, this will be reflected in the applicant's past performance score.
- Eligible expenses, including spending by subcontractors, must be clearly indicated as either NWT or non-NWT expenses.
- To be considered as an NWT expense the provider of either goods or services must maintain a permanent physical presence in the NWT, such as an office, laboratory, or store.
- Specialized analyses, necessary for certain types of exploration, which are not available in the NWT will not be counted against the NWT spending for a project (*e.g.*, caustic fusion analysis for diamond exploration).

MIP Scoring Summary Table:

Category	Criteria	Score
Past Performance	The program was substantially incomplete, under-budget or did not proceed.	0-1
	The program was not fully completed, or the project was under-budget, or the quality of the work/reporting were unacceptable, <i>i.e.</i> , late reporting; or substantial unclear, missing, or inaccurate information/ data/receipts/or invoices.	2-4
	The program was satisfactorily completed with standard reporting practices	5-6
	The program was satisfactorily completed with a very high quality of work and reporting.	7-8
	The program produced results that directly enhanced the value of the property/area with clear, accurate, and timely reporting.	9-10
Past Performance Total		/10
Proposed Exploration Approach	The exploration plan is poorly organized and uses technically unsound exploration methods; it fails to incorporate relevant knowledge of geology and past exploration, if available; it uses poor quality, or lacks, supporting evidence.	0-1
	The exploration plan is poorly organized or uses technically unsound exploration methods; or it fails to incorporate relevant knowledge of geology and past exploration, if available; or it uses poor quality supporting evidence.	2-4
	The exploration plan is organized and uses technically sound exploration methods; it incorporates relevant knowledge of geology and past exploration, if available; supporting evidence is of good quality.	5-6
	The exploration plan is well organized and uses technically sound exploration methods; it incorporates relevant knowledge of geology and past exploration, if available; supporting evidence is of very good quality.	7-8
	The exploration plan is very well organized and uses technically sound exploration methods; it incorporates relevant knowledge of geology and past exploration, if available; it has excellent supporting evidence.	9-10
Proposed Exploration Approach Total		/10
Use of NWT Goods and Services	The percent of eligible NWT spending, excluding wages and report preparation, for a project will be calculated then converted to a score out of ten (rounded to the nearest integer).	
Use of NWT Goods and Services Total		/10
Project Total Score		/30

Criteria for Prospector Grant Funding Ratio:

To maintain the integrity of the MIP, funding recipients must demonstrate thoughtful and cost-effective budgeting. Even the appearance of careless spending can result in criticism that is harmful to individual projects and the MIP overall. To ensure the best use of funding (and to fund a more significant number of projects), the MIP scoring committee often disburses funding at less than the maximum ratio. Lower-scoring applications or applications where there is any question of budget use will receive reduced funding or no funding at all.

To obtain maximum funding, an application must meet the following criteria:

- The application must be top-scoring for the funding period (ranked top 3-5)
- The project application demonstrates funding efficiency on a per-item and overall basis
- The application provides a clear justification for all spending, especially field gear
 - <5% of the MIP funding request is for field gear
- MIP funding is not requested for non-critical items (*i.e.*, it should not be treated as a wish list)
- The applicant does not have a history of over-estimating project expenses
- The proposal outlines a significant contribution from the applicant and indicates a commitment to proceed

Reporting Guidelines:

MIP-funded prospectors must submit a final report and a statement of eligible MIP expenses.

The final report will match the format and requirements of an assessment report, as per the NWT Mining Regulations; and must disclose all activities, data, and expenditures associated with MIP funding. The final reporting for the MIP also requires the submission of:

- Prospector MIP Work Summary Form that includes the dates and map location of pertinent exploration work.
- Prospector MIP Expense Forms A and B accompanied by the supporting receipts and invoices for claimed eligible MIP expenses.

As per the NWT Mining Regulations, prospectors who spend less than \$10, per hectare may submit a simplified assessment report. Those spending over \$10 per hectare must submit a regular assessment report signed by a professional geologist (P. Geo.).

- For more information on assessment reports and mining regulations in the NWT, see: ([Northwest Territories Lands Act Mining Regulations](#), Schedule 2, Part 1).

All final reporting maps, whether for a simplified or regular report, should clearly outline, the location of all activities in the exploration program using an appropriate scale and UTM NAD 83 projection coordinates. The maps must include the locations of sampling grids, sample collection, trenches, drill holes, and geophysical grids.

Total annual spending will be reported on April 1 every year following MIP funding until the project is complete regardless of whether or not the program received MIP funding that year. Reporting of the total annual project spending may be submitted via email or letter to the NTGS and will be used to evaluate the impact of the MIP. This information will not be made public.

Any unspent MIP funding must be returned by the final reporting deadline.

Eligible Expenses:

MIP-funded prospectors may claim expenses related to wages, food/consumables, field gear, fuel, travel, analysis, equipment rental, self-isolation (if required), logistics and expediting, and professional consultation.

- All claimed expenses must be supported with submitted receipts or invoices, with the exception of wages. Wages will be reimbursed at a daily rate per person.
- The MIP staff reserve the right to refuse expenses they deem extraneous or ineligible.
- Applicants who do not make efficient use of MIP funding will not be approved or will become ineligible for future funding.
- The same expenses may not be submitted to multiple GNWT funding programs (*e.g.*, MIP, SEED, Prospector Support Program). Partially funded MIP projects may submit revised budgets to the MIP coordinator and if approved may submit unfunded expenses to the Prospector Support Program.
- Eligible expenses must be incurred during the period April 1, 2024 to March 31, 2025.

Wages:

Applicants may claim a maximum of \$100 per person per field day for themselves and one assistant. Wages must not exceed 25% of the total grant.

Food and Consumables:

A maximum of \$100 per person per field day may be claimed for food and consumables, *e.g.*, bug spray, spray paint, toilet paper, etc.

Field Gear:

Field gear will be reimbursed as per submitted receipts.

Fuel:

Fuel will be reimbursed as per submitted receipts. Fuel may account for a maximum of 35% of the total grant.

Travel:

Air travel expenses incurred within the NWT (to and within the field area) may be claimed as eligible expenses.

Analysis:

Laboratory sample analysis costs will be reimbursed as per submitted receipts. Sample shipping may be claimed.

Equipment Rental:

Equipment rental will be reimbursed as per submitted receipts. Self-owned equipment may be charged at 75% of the commercial rate.

Professional Consultation:

Consultation with a professional geologist or professional engineer will be reimbursed as per receipts.

Self-Isolation:

Any NWT expenses incurred to comply with mandatory self-isolation periods will be considered eligible expenses for MIP funding.

Logistics and Expediting:

Any NWT expenses related to expediting or program logistics will be considered eligible expenses for MIP funding.

Ineligible Expenses:

- Capital expenses
- Staking costs
- Recording, renewing, grouping, transferring, or otherwise acquiring or maintaining an interest in a mineral property
- Management, legal, or accounting fees
- Travel to the NWT
- Activities directly resulting in net income from mineral production
- Expenses related to reclamation
- Expenses related to community consultation
- Personal expenses

Confidentiality:

Applications and proposals are always confidential and can be returned upon request. Final reports will be kept confidential for two years, before being made public through the NTGS.

Applicant name, project name, project location (NTS map sheet 1:50,000 if on claims, 1:250,000 if not), and the amount of MIP funding given will be made public.

Information provided in annual spending updates will be used to evaluate the impact of the MIP and will not be made public.

Deadlines:

Application Deadline:	April 26, 2024
Interim Reporting Deadline:	August 31, 2024
Project Completion Deadline:	March 31, 2025
Final Reporting Deadline for Summer Work:	November 30, 2024
Final Reporting Deadline for Winter Work:	April 1, 2025
Return of Unspent MIP Funds:	April 1, 2025
Annual Spending Update Deadline:	April 1, each year until the project is completed

- Applications received after the application deadline will not be considered.
- All funded applicants must submit a completed interim report form prior to the August 31 interim reporting deadline.
- Project work must be completed by March 31.
- Final reports for projects that consist of spring and summer work must be submitted by November 30; whereas projects with winter components must be submitted by April 1. These deadlines allow for the assessment of an applicant's past performance prior to considering new MIP funding requests. Early reporting is appreciated.
- Annual spending updates are due on April 1 of each year until the program is completed.
- Late reporting may result in grant forfeiture and may affect future eligibility for MIP funding.
- Eligible expenses must be incurred during the period April 1, 2024 to March 31, 2025.