



## NUNAVUT PROSPECTORS PROGRAM POLICY

### POLICY STATEMENT and PURPOSE

The Department of Economic Development & Transportation is committed to supporting the development of a sustainable and viable mining industry in Nunavut through financial and technical assistance to prospectors by encouraging their work and building the information base regarding mineral deposits.

The Nunavut Prospectors Program provides financial assistance to prospectors in support of increased exploration activity in Nunavut.

### PRINCIPLES

The policy statement is based on the following principles:

- Partnerships will respect the Inuit Societal Values of *Piliriqatigiinniq/Ikajuqtigiinniq* (“working together for a common cause”); *Pilimmaksarniq/Pijariuqsarniq* (“development of skills through observation, mentoring, practice and effort”); and *Qanuqtuurniq* (“being innovative and resourceful”).
- The foundation of the mining industry is information gained through prospecting and geoscience.
- Nunavummiut are encouraged to participate in mineral exploration to support mineral development through *Parnautit*, Nunavut’s Mineral Exploration and Mining Strategy.
- Information on how decisions for financial assistance are made will be available in annual scheduled reporting. All decision-making processes will be fair, transparent and without conflict-of-interest.

### APPLICATION

The *Nunavut Prospectors Program Policy* establishes the general terms and conditions by which financial assistance will be provided to prospectors by the Department of Economic Development & Transportation.

### DEFINITIONS

Contribution: Transfer of funds under specific terms and conditions to an applicant from whom the Government of Nunavut (GN) will not receive goods or services.

Department: The Department of Economic Development & Transportation.



Nunavut Resident: An individual who has lived in Nunavut as their primary residence for at least one (1) year.

Prospecting: Searching for new mineral deposits, or the reassessment of previously-known mineral deposits or occurrences, to find minerals of economic value.

Prospecting can involve using conventional prospecting techniques, geological mapping, geochemical surveys and/or geophysical surveys, and/or by sampling and assaying.

Prospector: A person engaged in the activity of prospecting, for the purposes of identifying the potential of a site or area for a future exploration or mining endeavour. A prospector usually works alone or in a small group, and searches for minerals on his/her own behalf.

Resident Geologist: A geoscientist employed by the department.

## **ROLES AND RESPONSIBILITIES**

### Minister

The Minister may table annually in the Legislative Assembly a summary of contributions detailing the name of each recipient, the amount of each contribution and the community in which the applicant resides.

The Minister may delegate authority to approve provisions of this policy to the department head.

### Department

The department head, or their designated lead senior official, shall establish and communicate clear and transparent procedures and criteria for allocation of funds under this policy that address:

- Application Process
- Evaluation Criteria
- Terms and Conditions

The department may publish a report, at least annually, detailing the name of each successful applicant, the community in which the successful applicant resides and the amount of each contribution.

## PROVISIONS

### General Conditions

- All provisions contained in the *Financial Administration Act*, *Government Contract Regulations* and the *Financial Administration Manual* shall apply to the financial administration of all contributions issued by the department.
- Eligibility for funding under this policy does not guarantee subsequent approval for financial assistance of any kind. Financial assistance will be provided only to the limit and availability of funding allocated to this policy within the main estimates of the budget.
- Each successful applicant must sign an agreement accepting all terms and conditions within the policy.
- Prospectors selected to receive contributions under this program may be funded at a level below the amount requested.
- All recipients of contribution assistance must agree to allow the department access to inspect all books and other financial statements related to the project, and to obtain any other information and documentation necessary for evaluating the success of the project work.
- Any information provided by the prospector to the department in the form of maps, prospecting/assessment reports or preliminary data, shall remain the sole property of the prospector.
- The department shall ensure that all prospecting data submitted by prospectors in fulfillment of program accountability requirements shall remain confidential for a period of three (3) years after the last day of the fiscal year in which the contribution is made. After three (3) years, the department may provide this information to the general public by any method (including publication) that it deems appropriate.

### Eligibility

Eligibility for contributions is limited to Nunavut Residents who:

- are 18 years of age or older;
- hold a valid Prospector's Licence issued by the Department of Aboriginal Affairs and Northern Development Canada; and
- demonstrate a working knowledge of prospecting or have the equivalency of having taken the Introduction to Prospecting Course (IPC) offered by the Government of Nunavut.

If a prospector is required to repay an advance from a previous contribution, he/she will not be eligible for further contribution assistance until repayment is made in full.

An applicant who is currently married, common-law or partnered with another applicant who has received funding in a fiscal year is ineligible for funding.

### Eligible Expenses

The following expenses directly related to prospecting work are eligible for contribution assistance:

- daily living allowance per person for each day spent prospecting, up to a maximum duration of 30 days;
- basic and specialized equipment (rock hammers, sample bags, etc.) deemed necessary for conventional prospecting activities;
- sampling and costs of analyses;
- equipment rentals;
- equipment purchases and repairs, as deemed by appropriate by the Resident Geologist;
- wages for up to two (2) assistants other than the applicant, for up to thirty (30) person-days;
- travel within Nunavut;
- costs, including translation, for preparing the final report; and,
- consulting fees paid for the services of professional engineers and/or geoscientists.

### Ineligible Expenses

The following expenses are not eligible for contribution assistance:

- management, administration, legal or accounting fees;
- permanent re-usable items which have potential to be used for activities other than prospecting (e.g. all-terrain vehicles [ATVs], snowmobiles, outboard motors, etc.);
- travel outside of Nunavut, except in extenuating circumstances where such travel is required to access another area of Nunavut;
- engineering studies (e.g. environmental impact work, metallurgical testing and feasibility, etc.), transportation studies, and all other work relating to any physical development of a property;
- activities that support mining and/or ore processing which would directly result in income for the applicant; and,



- wages for an assistant(s)/partner where the assistant(s)/partner has also entered into a Contribution Agreement with the Government of Nunavut under this program in the same year.

### Review

A Resident Geologist or other qualified staff of the department will review the application and provide a letter of response to the applicant within 45 days.

### Supporting Data

The following data must accompany an application for funding:

- a Nunavut Prospector's Licence number in the name of the applicant;
- a map outlining the proposed project area;
- documentation of a preliminary discussion with a Resident Geologist concerning the project; and,
- all appropriate access permits, including any permits from the local Regional Inuit Association if the project is on Inuit Owned Land (IOL).

### Amount

The department will provide a contribution up to a maximum of \$8,000. An applicant may be eligible for a transportation bonus of up to an additional \$8,000, conditional upon a review by the department and the Resident Geologist of any special logistical challenges for a project.

The final contribution amount will be directly determined by the location (e.g., remoteness) of the project, scale of work involved, previous history with any contribution agreements with the department, experience of the applicant, and any additional circumstances surrounding each individual project.

### Payment

The department will provide two unequal payments of up to 75% of the approved amount prior to prospecting activities.

The remainder of the contribution will be provided upon the completion, submission and approval of the final report.

### Communications

Clients will make every attempt to be in periodic contact with the department and the Resident Geologist regarding their project to update the Government of Nunavut on progress throughout the period of their Contribution Agreement.



Clients should also expect to be periodically contacted by the GN to review the Contribution Agreement and progress of the client's project.

### Appeals

- a) An applicant for grant or contribution has the right to appeal a denial of funding.
- b) Appeals will be dealt with in accordance with the *Guidebook, Application & Project Forms* document established in support of this policy.

### Accountability

Contribution recipients will provide a report, as outlined in the *Nunavut Prospectors Program Guidebook, Application & Project Forms* document to the department before the end of the fiscal year (March 31) in which the application was approved.

The report must contain the following:

- summary of prospecting activities (e.g., daily journal);
- proof of sample analyses and assay results;
- map of prospected area with all sample locations plotted at a scale of 1:50,000;
- technical summary form;
- financial summary form with all applicable receipts; and,
- a summary, recommendations and conclusions for any further work.

The department will treat all reports and results described herein as confidential for a period of three (3) years from the date of receipt of the final report.

### **PREROGATIVE OF EXECUTIVE COUNCIL**

Nothing in this policy shall in any way be construed to limit the prerogative of the Executive Council to make decisions or take action respecting culture, language, elders and youth grants and contributions outside the provisions of this policy.

### **SUNSET**

This policy remains in effect until replaced or repealed. The department will initiate a review of this policy no later than March 31, 2020.