NORTHWATCH

December 3, 2023

Mines and Minerals Division Ontario Ministry of Mines

Sent by email to MiningActAmendments@ontario.ca

ERO number 019-7762

Re. Potential Changes to Ontario's Mineral Exploration Assessment Work Regime

On October 19th, 2023 the Ministry of Mines posted a notice on the Environmental Registry of Ontario announcing a 45 day comment period on Ontario's mineral exploration assessment work regime. According to the posting, the Ministry of Mines is seeking input "to improve the assessment work regime in Ontario. The objectives are to maximize competitiveness and work conducted on mining claims, increase access, and expand the availability of public geoscience data, and minimize unnecessary administrative and reporting processes for the submittal of assessment work reports."

A decade ago Northwatch was an active member of the Ministers Mining Act Advisory Committee during the period when the plan and permit regime for mineral exploration was under development and the matter of exploration assessment work and credits was discussed at length and in detail as part of the developmental period. This multi-stakeholder body provided an excellent forum for discussions and debate, and providing the Ministry staff with the opportunity to consider a broad range of experience, perspective and expertise from organizations representing the mining industry, tourism sector, mineral exploration companies and prospectors, environmental and conservation groups, other land uses such as cottagers groups, and Indigenous peoples. Although established as part of commitment by the Province as part of the Whitehorse Mining Accord, the group was disbanded a number of years ago. In Northwatch's view this leaves a deficit in terms of opportunities for the Ministry staff and the Minister to be part of a dynamic discussion in advance of putting forward proposals such as those currently posted for comment on the Environmental Registry of Ontario.

The Registry posting does not set out or summarize proposed changes. The posting describes in very general terms the claims process and the requirement that "assessment work" be undertaken and reported on and makes very general reference to the system of assessment work credits without actually describing or naming that system. It then goes on to describe Ontario's ambition of being "a leading jurisdiction in mineral exploration and development to increase our global competitiveness" and invites "feedback on overarching objectives for improving Ontario's early exploration assessment work regime" and potential related "initiatives".



The actual changes being considered are not identified but are described very generally in a separate document titled "Improving Ontario's Assessment Work Regime". The following comments were generated during Northwatch's review of the document titled "Improving Ontario's Assessment Work Regime".

Theme 1: Maximizing Ontario's Competitiveness and Work Conducted on Mining Claims

- Annual work requirements should be increased, roughly tied to cost-of-living increases over the 30 years since the \$400 requirement was established; we accept the general approach of a graduated set of increases rather than a single increase to adjust to the 30-year lag, but going forward the requirement should be reviewed and adjusted biennially
- The Ministry should acknowledge that in addition to mining claims being held for longer periods of time with less additional knowledge being added and accumulated to the overall geoscience knowledge of Ontario, the claim holder retains a form of tenure over the claimed landbase which is potentially precluding other land uses which might have greater social or economic benefit for the people of Ontario or the Indigenous rights holders
- The double credit incentive for grass roots prospecting should be clearly restricted in its application to "grassroots" prospectors; it should not be available to companies or employees of companies with five employees or more
- The timelines should be reduced for applying for the "double credit" for Grass roots prospecting on mining lands to 200 per cent of the labour costs being eligible of if the assessment work report is submitted within 12 months (currently 24 months) after the grass roots prospecting work was performed¹
- The activities included in "grassroots prospecting" should be expanded to explicitly include the inventorying of natural and socio-cultural values within the claim area; this work is already recognized as legitimate assessment work under "Environmental baseline studies"²
- Raising the daily rate from \$350 per day is reasonable; the adjusted rate should be based on a multi-sector analysis of rates-of-pay for labour of similar skill levels and complexity
- reserve credits should only be applicable within limited periods of time; allowing
 reserve credits to be held for indefinite periods and applied to retain claims has the
 dual result of additional knowledge being added and accumulated to the overall
 geoscience knowledge of Ontario and the claim holder retaining a form of tenure
 over the claimed landbase which is potentially precluding other land uses which
 might have greater social or economic benefit for the people of Ontario or the
 Indigenous rights holders

 $^{^1}www.geologyontario.mndm.gov.on.ca/mines/lands/mlas/endm_mlas_fact_sheet_grassroots_prospecting_incentive_apr_2019_en.pdf$

² O. Reg. 65/18: ASSESSMENT WORK, Section 2 (1), Item 14. "Environmental baseline studies"

THEME 2: Increasing Access to, and Expanding the Availability of Public Geoscience Data

- New or additional geoscientific analyses of data should only be accepted if it is going to be added to the database of publicly accessible geo-science information; it is not in the interest of Ontario to provide credit for the same work being done repeatedly, and it is in the interest of Ontario to ensure that the best benefit is gained from any work for which credit has been assigned; potentially, there will be other sectors who can utilize this same data, which is best made available through publicly accessible databases
- costs for the mobilization and demobilization conducted out of Province should not be accepted; there is no benefit to Ontario or the people of Ontario in doing so
- Currently, environmental baseline studies and rehabilitation required or permitted to be
 done under the Act are eligible for expensive work credit, but there is no explicit
 requirement that environmental baseline studies and rehabilitation work be carried out;
 the rules around assessment credit should be revised to ensure that inventories of natural
 and cultural values are carried out in the earliest stages of mineral exploration prior to
 natural disturbances (such as from stripping, trenching and outcrop washing) and that
 rehabilitation work is done following all invasive activities which create disturbances
 (such as from stripping, trenching and outcrop washing)

THEME 3: Minimizing Unnecessary Administrative and Reporting Processes for the Submittal of Assessment Work Reports

- If the Ministry pursues the option of removing the requirement that claim holders provide any receipts and/or invoices for work types and related expenses to the Ministry, instead, submit a report of expenditures, the claim holders should be advised that all receipts and invoices are to be held for a seven year period (as per standard business procedures) and the Ministry should make know and then carry out that there will be audits undertaken on a random basis to discourage any potential for submitting falsified reports
- It may be appropriate for the Ministry to set standards of service, such as ensuring responses within set periods of time, but it would follow that the Government of Ontario would be required to ensure that a sufficient work force is in place to meet these standards of service
- helpful changes to the MLAS would be the inclusion of data layers for watersheds, treaty areas and ecological zones
- representatives of the mineral sector often speak of the value of regulatory certainty; moving work types into policy instead of regulation would decrease certainty and contribute to a less predictable rules regime; the Ministry should not consider moving work types out of Regulation and into Policy

Thank you for your consideration of these comments. We look forward to further dialogue on these important matters.

Sincerely,

Brennain Lloyd

Northwatch Project Coordinator