



## 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 maximise 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 to March 31.
- 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.

## How to Apply:

**Deadline: April 24, 2020 (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](mailto:NTGS@gov.nt.ca)  
Fax: 867-873-2652

Application forms can be downloaded at [www.nwtgeoscience.ca/mip](http://www.nwtgeoscience.ca/mip). Applications must be either dropped off, mailed, or submitted via email or fax to the NTGS office before the application deadline on April 24, 2020.

Please review the **Prospector MIP Evaluation Guidelines** in this document before filling out the application form. 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 specialised equipment required
- Proof of the necessary permits and/or licenses

## **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** (below) 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:

### • 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 an average score using their own previous scores from the last three years.**

- **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 the 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).

- **Use of NWT Goods and Services**

**Criteria:**

- NWT goods and services are used as much as possible to maximise 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.
- Specialised 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).

## 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 \$10,000 per claim may submit a simplified assessment report. Those spending over \$10,000 per claim 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<sup>st</sup> 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: food/consumables, field gear, wages, fuel, travel, analysis, equipment rental, contracting, and exploration.

- 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 that 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 extending from April 1, 2020 to March 31, 2021.

### **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.



## 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:

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.

Applications and proposals are always confidential and can be returned upon request.

Final reports will be made public through the NTGS. Final reports can be kept confidential for up to two years upon request.

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:	<b>April 24, 2020</b>
Interim Reporting Deadline:	<b>August 31, 2020</b>
Project Completion Deadline:	<b>March 31, 2021</b>
Final reporting deadline for summer work:	<b>November 30, 2020</b>
Final reporting deadline for winter work:	<b>April 1, 2021</b>
Return of unspent MIP funds:	<b>April 1, 2021</b>
Annual Spending Update Deadline:	<b>April 1, each year until the project is completed</b>

- 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<sup>th</sup>, 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.
- 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, 2020 to March 31, 2021.
- Annual spending updates are due on April 1<sup>st</sup> of each year until the program is completed.