# Improving the Graduated Approach to Early Exploration Plans and Permit Regime

#### **Background**

Increased global interest in Ontario's mineral resources, including critical minerals, has resulted in the Ministry of Mines (the "Ministry") seeing an increase in mining claim registrations and exploration spending by proponents.

The Ministry has heard from industry stakeholders that aspects of the current regulatory process are unduly time-consuming, costly, and difficult to navigate. To help Ontario remain competitive in the global exploration environment, the Ministry is committed to considering opportunities to remove unnecessary barriers to identifying and developing mineral supply for manufacturing in Ontario, consistent with Ontario's Critical Minerals Strategy.

The Ministry has also heard from some Indigenous communities that there is frustration with the number of notifications and separate consultation processes related to early exploration activity. The Ministry is committed to considering opportunities to improve administrative efficiency while continuing to meet Ontario's duty to consult with Indigenous communities where the proposed exploration activity has the potential to adversely impact credibly asserted or established Aboriginal or treaty rights.

The Ministry understands that Ontario's exploration plans and permits regime must reflect the fact that early exploration activities typically have a focused geographic scope, short duration, and limited impacts to the environment. The Ministry must review and incorporate modern technologies used in the field by industry, and ensure that Ontario continues to meet its duty to consult obligations.

To achieve this, Ontario is seeking input on opportunities to improve the early exploration permitting processes under the *Mining Act*, and its associated regulation, O. Reg. 308/12 – Exploration Plans and Exploration Permits (the "Regulation"), as well as related policies and operational processes, such as the <u>Provincial Standards for Early Exploration</u>, the <u>Ministry's Mapping Standards</u> and <u>Activity Details Report</u>.

Below are three broad themes to which the Ministry is seeking feedback: Modernizing Requirements for Exploration Plans and Permits and Encouraging Innovation; Increasing Flexibility in the Plans and Permitting Regime; and Reducing Administrative Burden and Increasing Efficiencies. Under each theme the Ministry has identified examples of initiatives that we are currently considering opportunities for improvement based on feedback from industry stakeholders and Indigenous communities. We invite you to provide feedback on these initiatives. However, these themes are meant to solicit important feedback you may have outside of these initiatives, and we encourage you to

write to us explaining how other proposals could improve the exploration sector in Ontario.

Input gathered will inform any regulatory or policy changes that may be considered in the future which would be subject to consultation, including Ontario's obligations to consult with Aboriginal communities.

## THEME 1: Modernizing the Requirements for Exploration Plans and Permits and Encouraging Innovation

In your response to the Ministry, please provide initiatives that you think the Ministry should consider under this theme.

An example of a current initiative the Ministry is considering making improvements and would like your feedback on includes:

#### **INITIATIVE: Thresholds**

As part of its efforts to improve the current exploration regulatory regime, Ontario is proposing to review the current graduated approach ("thresholds") for regulating early exploration activities on mining claims, mining leases, and licences of occupation.

These thresholds are currently prescribed under Schedule 2 and Schedule 3 of the Regulation and detail exploration activities that may be undertaken to determine mineral potential within an area. The type and extent of the activities that are taking place will determine whether the proponent would require an exploration plan or application for an exploration permit prior to commencing activities.

Schedule 2 details the activities that require an exploration plan. Activities are included in this category where the tools required to perform work, or the disturbances associated with the work, fall within the prescribed thresholds (e.g., line cutting where the width of the lines is 1.5m or less,). Where the impact of the activities exceeds the threshold, as detailed in Schedule 3, the activities require an exploration permit.

Current Early Exploration Activity Thresholds	
Exploration Plans	Exploration Permits

Geophysical Surveys Require a generator for power	Not applicable
Line cutting  Width of line is 1.5 metres or less	Line cutting Width of line is 1.5 metres or more
Mechanized drilling  Drills less than 150 kilograms in weight	<b>Mechanized drilling</b> Drills greater than 150 kilograms in weight
Mechanized surface stripping  Total surface area stripped is less than 100 square metres, within a 200-metre radius	Mechanized surface stripping  Total surface area stripped is greater than 100  square metres, within a 200-metre radius
Pitting and Trenching From 1-3 cubic metres in volume, within a 200- metre radius	Pitting and Trenching Greater than 3 cubic metres in volume, within a 200-metre radius

These thresholds were introduced over a decade ago and do not fully account for current technological advancements in the field of early exploration. For instance, reliance on generators or fuel caches to run machinery is being replaced by the use of battery-powered systems, including integrated backpack systems that conduct ground geophysical surveying.

Further, the current prescribed thresholds may be viewed as too restrictive where new technology is providing proponents with easier access to the landscape, while decreasing the impact or disturbance on the ground. For example, a helicopter can be used to place a drill rig greater than 150 kilograms in weight, avoiding the need to construct roads and trails and significantly reducing environmental impacts. However, the current threshold for this activity does not reflect the decrease in environmental impact (e.g., helicopter replacing construction of roads and trails) but is instead tied to the weight of the drill.

In consideration of new technology and innovative ways to use it, Ontario is contemplating whether thresholds for exploration plans and permits should change and is seeking your input and ideas to improve the early exploration permitting process.

- 1. Do the current thresholds for exploration plans and permits need to be updated?
- 2. If yes, please provide why and how the thresholds should be changed.
- 3. If no, please provide why the thresholds should remain the same.

- 4. Are there alternative approaches to regulating early exploration activities that should be considered?
- 5. Is there any additional feedback you would like to provide on this initiative that was not captured in the questions above?

## THEME 2: Increase Flexibility in the Plans and Permits Regime

In your response to the Ministry, please provide initiatives that the Ministry could consider under this theme.

Examples of current initiatives the Ministry is considering making improvements and would like your feedback on include:

#### **INITIATIVE:** Geographic flexibility of a plan or a permit

The technical limitations in Ontario's current exploration plans and permits regime do not allow proponents to submit a plan or make a permit application in the Mining Lands Administration System (MLAS) where the unpatented mining claims or leases involved are non-contiguous (i.e., map areas, or "cells", whose borders do not touch). This means proponents may be required to submit multiple plans or multiple permit applications for a single project area where cells are non-contiguous. As such, the Ministry is currently working to resolve this technical limitation in MLAS. Given that this will soon be resolved, there are other considerations regarding geographic flexibility that the Ministry is looking for feedback on. These considerations are below.

The current Mapping Standards require proponents to submit a regional and a sitespecific map that identify areas where they will be undertaking exploration activities.

For example, the site-specific map must indicate the location of every proposed activity with a radius area of 200-metres from where the activity will take place. As a result, when a proponent wishes to commence activity outside of the originally approved 200m radius, they must submit a new permit application, regardless of the fact that they are still working on the same project.

Proponents may consequently face over 50-day gaps in their project timelines as they await approvals for permits outside of the original area, leading to financial strains as proponents struggle to maintain their contract employees, equipment rentals and other supplies needed to complete their exploration project, all while working towards satisfying their shareholders. Exploration is an iterative process, and thus, a project may

not necessarily be confined to an areawhere proponents have initially indicated one or more prescribed activities, and the permitting regime should reflect this operational reality. A larger geographic permit area would still allow the same notification to, and consultation with, Aboriginal communities regarding the proposed activities and would allow the impacts of those activities to be considered together at one time.

Ontario would like to hear perspectives on whether this approach might be more efficient for all parties involved, including the Aboriginal communities to whom the permit applications are circulated.

#### What we would like to hear from you:

- 1. What parameters (e.g., environmental, geological) should be considered when determining the geographical area covered by a permit?
- 2. Is the current 200-metre radius for activity detail under Ontario's mapping standards appropriate, and if not, how and why should this be changed?
- 3. Is the current 100m line, point or polygon for exploration trails, roads and camps appropriate, and if not, how and why should this be changed?
- 4. Are there any details which should be added to the Mapping Standards? Are there any requirements in the Mapping Standards that should be removed?
- 5. Should the Mapping Standards incorporate the requirement to highlight a general area in which specified activities are to take place? Rather than require precision on activities such as the number of drill pads, etc?
- 6. Is there any additional feedback you have with respect to geographic flexibility?

#### **INITIATIVE:** Operational flexibility within a plan or a permit

Exploration is a scientific, iterative process, requiring flexibility in the field to be responsive to the data being gathered or the current state of the land (e.g., remoteness, uneven terrain and/or flooded trails). Drill programs typically follow after the ground geophysics and channel sampling to determine and define an ore body, and the results affect the location of the drilling.

Under the current permitting regime, the "Activity Details Report" forms part of the exploration permit application, which requires proponents to provide specifics about

exploration projects, including the number of drill pads and the total length of cut lines, that they will be conducting on the permit. For example, if the proponent is proposing a drilling program with a drill that weighs greater than 150 kilograms, the specific number of proposed drill holes must be indicated on the activity detail map, and the map accompanies the permit application. This approach presents certain challenges.

For instance, industry representatives have indicated that the requirement for specific activity detail lacks flexibility and does not allow proponents to change their programs in response to new data obtained in the field, even within the same geographic area of the plan or permit. As a result, proponents must submit a new permit application, which can lead to costly project delays.

Data obtained during the course of exploration may indicate that the ore body extends to different locations than those anticipated through earlier research, suggesting that the drilling location in the permit should change in hopes of maximizing the chances of finding the target mineral deposit. As a result, to avoid multiple permit applications and subsequent project delays, some proponents may apply for more drill holes than they need which does not accurately depict the actual activities taking place on the ground. The impact of this approach is that there is a lack of flexibility to be responsive to the nature of exploration activities and research findings.

Ontario is interested in exploring new mapping tools in MLAS, including potential changes to mapping standards, and the ways of facilitating the creation of maps that better reflect proponents' intentions and the iterative nature of exploration programs prior to the commencement of the program. The Ministry is committed to exploring changes that will facilitate meaningful consultation with Indigenous communities, including consultation on where proposed exploration activities will take place.

Ontario is seeking your input and ideas on current mapping requirements and how to enhance flexibility, while still ensuring that the Ministry meets the duty to consult, where it arises.

- 1. Apart from the 200-metre radius requirement, are there other ways in which the current Mapping Standards, or other aspects of the mapping system, should be changed to allow proponents more flexibility to adapt their programs when new data is obtained during the course of exploration?
- 2. What parameters should be considered in the development of a project description in a plan or permit application form?

- 3. Are there any additional questions that should be included in the Activity Details Report? Are there any that should be removed?
- 4. Are there any alternative reporting requirements that could be used in place of the Activity Details Report, to account for the iterative nature of exploration?
- 5. Are there any additional approaches to increase flexibility in the permitting application process?
- 6. Are there any concerns with regards to the terms and conditions placed on permits?
- 7. Is there any additional feedback you have with respect to operational flexibility?

#### **INITIATIVE: Review of Permit Duration**

The maximum duration of an exploration permit under the Regulation is three years, and two years for an exploration plan. Some exploration proponents view this term to be too short as exploration can occur at various stages throughout the life of the claim(s), and consider the renewal process to be as onerous as applying for a new permit. Given that the current renewal process is often equal to a new application, this requires notification to or consultation with Aboriginal communities. This can result in additional delays to exploration projects on a claim even if the scope and nature of the activities remains unchanged from the original application.

Ontario is considering changes to the prescribed maximum duration of an exploration permit, to allow for longer permit terms, and reducing the frequency of renewals.

In addition to possible regulatory changes, Ontario is also looking at creating efficiencies through digital solutions in MLAS, particularly in applying for and receiving renewals of exploration permits.

Ontario is seeking your input and ideas on exploration permit duration, and whether there are administrative efficiencies that could be achieved in the renewal process.

- 1. How long should an exploration plan or permit be issued for? If two to three years is not considered enough time, what would a more appropriate period be and why?
- 2. What alternatives, if any, should be considered to the current renewal process?
- 3. How could the Ministry of Mines accommodate any changes in project plans throughout the course of the plan or permit without having to require a new application?

## THEME 3: Reducing Administrative Burden and Increasing Efficiencies

In your response to the Ministry, please provide initiatives that you think the Ministry should consider under this theme.

Examples of current initiatives the Ministry is considering making improvements and would like your feedback on includes:

#### **INITIATIVE: MLAS Improvements and Administrative Efficiencies**

The Ministry is reviewing its exploration permit application processes to identify and understand the typical causes of what is perceived by some proponents as undue delay, and to explore possible solutions. We are also currently undertaking changes in MLAS to enhance administrative efficiencies through digital solutions including:

- Streamlining internal ministry application processes to enhance service delivery.
  - To create internal efficiencies from receipt of complete application to its circulation to Indigenous communities and posting to the Environmental Registry of Ontario.
  - For example, auto-populating key documents for consultation with Indigenous and the Environmental Registry of Ontario posting for public consultation.
  - The elevation of a plan to a permit when required through MLAS, reducing the amount of administrative burden for the project proponent.
- New external facing mapping tools to create site specific project maps
  - MLAS users will be able use a mapping function to create maps to support their plan submission or permit application.
- Removing the contiguity of claims requirement in plan and permit applications
  - Making technological changes to enable the potential for non-contiguous cells to be selected, and

• Improving the project proponent bulletin board in MLAS to enable real-time status updates for plan submissions and permit applications for clients to monitor.

What we want to hear from you:

#### MLAS Questions:

- 1. What additional changes would you like to see to improve your MLAS experience in the permitting application process?
- 2. Are there any current MLAS functions that you feel are restricting your ability to complete the permitting application process?

#### Administrative Burden Questions:

- 1. Please identify if there are any permitting application processes that you feel should be removed. Are there any that should be added that you would recommend?
- 2. Are there any changes that you would like to see regarding the temporary hold process?
- 3. Are there any changes you would like to see for when a plan is bumped to a permit? Should a new application be required, or should the information simply be copied to a permit application if the change is due to consultation purposes?
- 4. Are there any other administrative processes that you would like to comment on?

#### **INITIATIVE:** Transparent, Public-Facing Service Standards

The Ministry is also considering establishing service standards to provide greater transparency about typical timeline expectations to proponents, and to assist in the Ministry measuring its own performance towards efficiently administering the regulatory system.

- 1. Please identify how the current permitting application timelines impact you and what specific changes, if any, you would recommend.
- 2. Are there service standards you would like to see?

### 3. What service standards would you like to see for timelines for application to circulation periods for plans and permits?

Your participation and feedback are important to us as the Ontario government considers possible options to improve how we regulate early exploration. We are providing a 45-day comment period. Please send responses to some or all of the specific questions posed above to the Ministry by:

Email: MiningActAmendments@ontario.ca

Mail: Mines and Minerals Division

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