

## MINISTER OF AGRICULTURE AND RESOURCE DEVELOPMENT

Room 165 Legislative Building Winnipeg, Manitoba R3C 0V8 CANADA

September 28, 2020

Shastri Ramnath
Chair, Manitoba Liaison Committee on Mining and Exploration
Shastri.Ramnath@exirominerals.com

## Dear Shastri Ramnath:

As Minister of Manitoba Agriculture and Resource Development, I would like to thank the Manitoba Liaison Committee on Mining and Exploration (MLCME) for the report of recommendations on permitting (May 5, 2020) and the ongoing collaborative work on responding to the impacts of the COVID-19 pandemic.

Without question, business has abruptly changed since PDAC 2020 in Toronto. The COVID-19 pandemic has dramatically altered the investment landscape, and our province has worked diligently to ensure Manitoba is one of the safest places in the world to conduct business for industry and its workforce.

At PDAC 2020, I announced that Manitoba would "fix" the permitting system. The MLCME was tasked to help us understand the challenges and identify solutions.

The Department has reviewed the report of recommendations on permitting and we will move forward to make changes, including the following commitments:

- Establish a <u>single-window</u> intake system that includes clear processes and ensures requirements are applied in a consistent manner. This will include:
  - Introducing a concierge service that will allow industry to navigate complex regulatory requirements for advanced exploration and mine development;
  - Providing a permit guideline handbook;
  - Defining degrees of impact for exploration and mining projects and streamlining the permit approval process based on the level of impact;
  - Formalizing a process whereby work permits can be amended; and
  - Providing industry with available information on land-use issues that may result in work permit delays or denials.
- Modernize related permitting processes to reduce administrative red tape and streamline requirements, including <u>multi-year permits that fit with the scope of the</u> project. Specifically, this will include the following:
  - Permits will be issued for periods of up to 5 years.
  - Permits will expire on the anniversary of the permit grant date.



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We look forward to continue working with the MLCME to implement these changes, and we expect to have new permitting in place by Spring 2021.

With mineral exploration and development considered a critical service in our province, we have worked closely with the MLCME to identify measures to reduce the impact of COVID-19 and bring about economic recovery. As a precursor to making the above changes to the permitting system and in light of the impact of COVID-19 on the industry and Manitoba's economy, we would like to highlight changes implemented since PDAC 2020. These include:

- Collaboration between Manitoba Agriculture and Resource Development and Manitoba Conservation and Climate to ensure permits for minerals sector projects remain in good standing, where there is no material change to the nature or scale of activities under an existing permit.
- One-year extension of time for all mining claims and mineral exploration licenses expiring before April 30, 2021 (except dispositions in treaty land entitlement areas where further assessment is required), and we will re-assess this measure as we continue to navigate the impacts of the COVID-19 pandemic into the new year.
- Extension of the Double-Assessment Credits for the duration of this pandemic. In addition to normal exploration work, it now includes engagement with First Nations and technical innovations.
- Worked with public health officials in Manitoba to develop a guide for resource companies and prospectors as to the health precautions they should take at camps and facilities and when personnel travel to rural or remote communities.
- New \$20 million Mineral Development Fund launched by the Manitoba Chamber of Commerce (MCC) to stimulate investment in mineral exploration and development in this province, with a focus on collaborative projects between industry and communities.

In addition, it's important to recognize that Manitoba offers a very generous 30% income tax credit (Manitoba Mineral Exploration Tax Credit) recognizing investment in eligible flow-through mining expenditure for the exploration of minerals in Manitoba, in addition to the 15% federal income tax credit available to individual investors that qualify.



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I would like to further acknowledge the commitment of inclusion in the report of recommendations, acknowledging that many First Nations have a keen interest in expanding participation in the minerals sector. It is important for government and industry to work with First Nations and other Indigenous communities on resource management and development, including identifying new approaches and opportunities for inclusive partnerships and overall participation in mineral development. I am also pleased that industry recognizes their responsibility to engage as early as possible with communities and throughout the lifespan of the project.

Manitoba is home to a wealth of natural resources, world class deposits and under-explored remote regions of high mineral potential. Our available geoscience data coupled with our rich natural resources forms a solid foundation for Manitoba's mineral sector.

We look forward to continuing our work with industry and communities and encouraging exploration in this province. If we stay the course, new mines will be found in Manitoba.

Sincerely,

Blaine Pedersen

Minister of Agriculture and Resource

Development

c. Dori Gingera-Beauchemin, Deputy Minister Alisa Ramrattan, A/Executive Director