

## Mineral Titles Information Update

## No. 16 -Claim and Lease

Revision Date: March 22, 2019

The *Mineral Tenure Act* (the Act) allows for the registration of both a claim and a lease. A claim is intended for the exploration and development of minerals or placer minerals. A recorded holder of a claim may at any time, register an application to have a claim or any number of adjoining claims converted to a lease. A lease is required for the production or minerals or placer minerals. Exploration and development activities may still be authorized on a lease, in addition to production.

Section 14 of the Act states that a recorded holder may use, enter and occupy the surface of a claim or lease for the exploration and development or production of minerals or placer minerals, including the treatment of ore and concentrates, and all operations related to the exploration and development or production of minerals or placer minerals and the business of mining. Section 14 also states that no mining activity is permitted unless the recorded holder has a permit under section 10 of the *Mines Act*, if a permit is required.

<u>Section 28</u> of the Act states that a recorded holder of a claim is entitled to those minerals or placer minerals, as the case may be, that are held by the government and that are situated vertically downward from and inside the boundaries of the claim. The interest of a recorded holder of a claim is a chattel interest.

<u>Section 48</u> of the Act states that a lease is an interest in land and conveys to the lessee the minerals or placer minerals, as the case may be, within and under the leasehold, together with the same rights that the lessee held as the recorded holder of the claim or claims, but is subject to a valid charge registered against the record of the claim.

A **claim** is maintained by registering exploration and development work or making a payment instead of work as required by <u>section 29</u> of the *Act*. If this section is not complied with on or before the expiry date of the claim, the claim forfeits to and vests in the government at the end of the expiry date. There is no advance notice of forfeiture of a claim. The exploration and development registered to maintain a claim is subject to challenge under <u>section 40(1)(b)</u> of the *Act* for a period of one year from the date of the registration of the work.

In the event of a discrepancy between this information and the provisions in the Mineral Tenure Act and Regulation, the provisions in the statute and regulations will apply.

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300 – 865 Hornby Street Vancouver, BC V6Z 2G3 A **lease** is maintained by payment of the annual rental. If the rental is not paid by the expiry date, a notice of the rental due is sent to the recorded holder, providing 30 days for payment. If not paid, the lease may be ordered forfeited by the Chief Gold Commissioner. Forfeiture is not automatic.

A **lease** has a set term and the *Act* provides that the lessee has the right to one or more further terms provided the lessee complies with the *Act*, regulations and the conditions of the lease, and provided that the Chief Gold Commissioner is satisfied that the lease is required for a mining activity.