



Mineral Titles

Information Update

No. 34 – Changes to the Mineral Tenure Act Regulation

Revision Date: November 4, 2015

On July 1, 2012, changes to the Mineral Tenure Act Regulation came into effect that may impact the decisions you make with respect to claim acquisition and tenure maintenance. The changes were brought into force by BC Regulation 89/2012. The BC Regulation and a copy of the Mineral Tenure Act Regulation with the changes highlighted are available for your reference at the following web address:

<http://www2.gov.bc.ca/gov/content/industry/mineral-exploration-mining/mineral-titles/mineral-placer-titles/legislation/mineral-tenure-act-regulation-amendments-deposited>

For your information, the major changes are:

Registration Fees

Most of the current registration fees have been eliminated. These are:

- Registration of exploration and development work/Expiry date change;
- Registration of payment instead of exploration and development work/Expiry date change;
- Registration of 100% portable assessment credit (10 year rule);
- Registration of an amalgamation;
- Registration of a reduction of a cell claim; and
- Transfer of ownership (Bill of Sale Completion).

Title acquisition

The number of cells that can be selected has increased from 25 cells to 100 cells per acquisition.

The fee for acquisition has increased:

- For mineral claims, the acquisition has increased from \$0.40 per hectare to \$1.75 per hectare;
- For placer claims, the acquisition fee has increased from \$2.00 per hectare to \$5.00 per hectare.

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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Assessment work requirements

The assessment work requirement to maintain mineral tenure has increased for both mineral and placer claims. The tiered increases for mineral claims have been revised and expanded, while the single tier for placer claims has remained the same.

For mineral claims, the assessment work requirement has changed from a 2-tier to 4 tier structure. The new assessment work requirements are:

- \$5.00 per hectare for anniversary years 1 and 2;
- \$10.00 per hectare for anniversary years 3 and 4;
- \$15.00 per hectare for anniversary years 5 and 6; and
- \$20.00 per hectare for subsequent anniversary years.

For placer claims, the assessment work requirement continues to be a single tier; however, the requirement has increased from \$10.00 per hectare to \$20.00 per hectare.

To aid in the adjustment to the new work requirements, all existing claims have been treated as if they were in their first anniversary year for assessment purposes as of the date of implementation (July 1, 2012). In other words, regardless of the age of the claim, the next time work is registered after July 1, 2012, the assessment work requirement for a mineral claim is \$5.00 per hectare per year and for a placer claim is \$20.00 per hectare per year.

Examples:

Mineral Claim A: Issued – July 15, 2005; Current Good to Date – July 15, 2016

- On June 3, 2016, the recorded holder logs into Mineral Titles Online (MTO) to register 2 years of assessment work. This is the first work registered on the claim after the Regulation change came into effect;
- The assessment work requirement is \$5.00 per hectare per year, with no registration fee. *Prior to July 1, the assessment work requirements would have been \$8.00 per hectare per year, plus \$0.40 per hectare per year registration fee.*

Mineral Claim B: Issued – August 2, 2008; Current Good to Date – August 2, 2012

- On July 30, 2012, the recorded holder logs into Mineral Titles Online (MTO) to register 3 years of assessment work;
- The assessment work requirement is \$5.00 per hectare for the first and second years and \$10.00 per hectare for the third year, with no registration fee. *Prior to July 1, the assessment work requirement would have been \$8.00 per hectare per year, plus \$0.40 per hectare per year registration fee.*

Mineral Claim C: Issued – April 14, 2010; Current Good To Date – April 14, 2013.

- On September 30, 2012, the recorded holder logs into Mineral Titles Online (MTO) to register 5 years of assessment work;

- The assessment work requirement is \$5.00 per hectare for the first and second years, \$10.00 per hectare for the third and fourth year and \$15.00 per hectare for the fifth year, with no registration fee. *Prior to July 1, the assessment work requirement would have been \$4.00 per hectare for the first year and \$8.00 per hectare for the remaining four years, plus \$0.40 per hectare per year registration fee.*

Placer Claim A: Issued – January 12, 2005; Current Good to Date – August 18, 2012

- On August 4, 2012, the recorded holder logs into Mineral Titles Online (MTO) to register 2 years of assessment work;
- The assessment work requirement is \$20.00 per hectare per year, with no registration fee. *Prior to July 1, the assessment work requirements would have been \$10.00 per hectare per year, plus \$2.00 per hectare per year registration fee.*

Payment instead of exploration and development work

Payment instead of exploration and development work (PIED) amounts have increased and a minimum time period for use of PIED has been established.

The previous PIED rate was equivalent to the value of exploration and development work. The new PIED rate has been set at **double** the value of the corresponding assessment work requirement.

Previously, a minimum of one day of PIED could be applied to the expiry date of a mineral tenure. The new minimum requirement for PIED is 6 months. The 12 month (1 year) maximum has remained in place.

Similar to the assessment work requirements, if a recorded holder wishes to register PIED, the claim will also be treated as if it is in its first anniversary year for the purposes of calculating the assessment requirement, as of the date of implementation (July 1, 2012). PIED is \$10.00 per hectare for anniversary years 1 and 2 for mineral claims and \$40.00 per hectare for each anniversary year for placer claims (double the work amount).

Examples:

Mineral Claim D: Issued – February 17, 2008; Current Good to Date – February 17, 2013

- On January 31, 2013, the recorded holder logs into Mineral Titles Online (MTO) to register PIED.;
- The assessment work requirement is \$5.00 per hectare per year; therefore, the PIED requirement is \$10.00 per hectare per year, with no registration fee and a minimum registration period of 6 months. *Prior to July 1, the PIED requirement would have been \$8.00 per hectare per year, plus \$0.40 per hectare per year registration fee and no minimum registration period.*

Mineral Claim E: Issued – May 22, 2011; Current Good To Date – May 22, 2012.

- On July 10, 2012, the recorded holder logs into Mineral Titles Online (MTO) to register PIED.;
- The assessment work requirement is \$5.00 per hectare per year; therefore, the PIED requirement is \$10.00 per hectare per year, with no registration fee and a minimum registration period of 6 months. *Prior to July 1, the assessment work requirement would have been \$4.00 per hectare per year, plus \$0.40 per hectare per year registration fee and no minimum registration period.*

Placer Claim B: Issued – July 30, 2006; Current Good To Date – July 30, 2012.

- On July 10, 2012, the recorded holder logs into Mineral Titles Online (MTO) to register PIED.;
- The assessment work requirement is \$20.00 per hectare per year; therefore, the PIED requirement is \$40.00 per hectare per year, with no registration fee and a minimum registration period of 6 months. *Prior to July 1, the assessment work requirement would have been \$10.00 per hectare per year, plus \$2.00 per hectare per year registration fee and no minimum registration period.*

Lease Rental

The lease rental rate has been increased and is equivalent to the top tier of the assessment work requirement for claims.

- Mineral lease rental has increased from \$10.00 per hectare to \$20.00 per hectare; and Placer lease rental has increased from \$5.00 per hectare to \$20.00 per hectare.

Production Limits – Placer Only

The production limit for placer claims has increased. The previous production limit was 1,000 m³ of pay dirt per each cell of a cell claim per year or 2,000 m³ of pay dirt for a legacy claim per year. The new production limit is 20,000 m³ of pay dirt per claim per year regardless of whether it is a legacy or cell claim.

The production limit for mineral claims has not changed.

Subdivision

Subdivision provides an additional tool in the management of mineral tenure. The ability to subdivide a claim has been established and will only apply to a cell claim. Subdivision allows the recorded holder of a cell claim to subdivide the claim into 2 or more claims.

The combined number of cells related to each of the subdivided claims must equal the same number of cells held by the originating cell claim. You are not able to reduce or acquire cells during the subdivision process.

Each subdivided claim must consist of adjoining cells and retains the same issue date and expiry date of the original claim.

Exploration work performed on the original claim prior to the subdivision event can be applied to the subdivided claims.

Subdivision is not allowed on a claim where an active lease application or an active transfer of ownership (Bill of Sale Initiation) event has been registered.

There is no fee for the registration of a subdivision event.

Portable Assessment Credit (PAC)

A one-time total PAC withdrawal is allowed when a minimum of 10 years of exploration and development work has been registered on a claim. This one-time withdrawal allows the recorded holder of a claim to apply up to 5 years of work credit. The amount of portable assessment credits (PAC) required for maintaining a claim has increased from \$16.00 per hectare per year to \$40.00 per hectare per year. All other PAC conditions and requirements have remained the same.

If you have any questions concerning the changes to the regulations, you can submit your questions by email to Mineral.Titles@gov.bc.ca or you can call and leave a message with your questions at our toll-free phone number of 1-866-616-4999.