

YUULU?IL?ATH FIRST NATION GOVERNMENT

**Enacted under the Subsurface Resources Act section 4.2, 5.11, 6.2, 6.3, 8.1 &
8.2**

**SUBSURFACE RESOURCES
REGULATION**

YFNR 36/2017



This regulation enacted on February 14, 2017

Signed


Leslie Doiron, President of the
Yuułu?il?ath First Nation

TABLE OF CONTENTS

PART 1 - INTRODUCTORY PROVISIONS	5
Short Title.....	5
Application.....	5
Definitions.....	5
PART 2 - FORMS	7
Subsurface resource forms	7
Completion of subsurface resource forms	7
PART 3 - FEES	9
Application fees.....	9
Interest on debt for abandoned mine	9
PART 4 - ROYALTIES	11
Rate of royalty.....	11
Commencement of production	11
Output agreement	11
Timing of payment	11
Mining royalty return	11
Interest on unpaid royalty.....	11
Penalty for unpaid royalty	11
Demand for information.....	12
Books and records	12
SCHEDULE 1 – SUBSURFACE RESOURCE FORMS	13
SR-1 – APPLICATION FOR PERMIT	15
SR-2 – PERMIT	17
SR-3 – APPLICATION TO REVISE OR EXTEND A PERMIT	19
SR-4 – MINING ROYALTY RETURN	21
SCHEDULE 2 – FEES	23

PART 1 - INTRODUCTORY PROVISIONS

Short Title

1.1 This regulation may be cited as the Subsurface Resources Regulation.

Application

1.2 This regulation establishes the

- (a) form for applications for permits, permits and applications to revise or extend a permit under Part 4 of the Act,
- (b) form for mining royalty returns,
- (c) manner in which subsurface resource forms must be completed, and
- (d) fees, interest, penalties and royalties required or permitted under the Act.

Definitions

1.3 In this regulation:

“Act” means the Subsurface Resources Act;

“subsurface resource form” means a form prescribed under this regulation.

PART 2 - FORMS

Subsurface resource forms

- 2.1 (a) The subsurface resource forms numbered SR-1 to SR-4 in Schedule 1 are prescribed for the purposes of the Act.
- (b) A subsurface resource form that is
- (i) an application for a permit under section 4.2 of the Act must be in Form SR-1,
 - (ii) an approved and issued permit under section 4.4 of the Act must be in Form SR-2,
 - (iii) an application for a revision or an extension of a permit under section 4.6 of the Act must be in Form SR-3;
 - (iv) a mining royalty return must be in Form SR-4,
- (c) Every subsurface resource form must be executed and completed
- (i) in compliance with the Act,
 - (ii) in compliance with this regulation, and
 - (iii) in compliance with the instructions on the subsurface resource form, as applicable.

Completion of subsurface resource forms

- 2.2 (a) Every subsurface resource form, including attachments, must be on durable paper of 27.9 cm x 21.5 cm in size.
- (b) A subsurface resource form must be completed by printing or typing in
- (i) legible characters of 10 or 12 pitch, but not smaller than 12 point, and
 - (ii) black or dark ink that is compatible for electronic scanning, optical character recognition or micrographic technology of the kind used in the Government House.
- (c) The subsurface resource form must contain a blank space not less than 3 cm deep and 7.6 cm wide in the top right corner of the first page for use by the lands registry office.
- (d) The space provided for the completion of any item in a subsurface resource form may be expanded or reduced as the circumstances require.

- (e) An abbreviation of any word on a subsurface resource form must not be used unless the abbreviation does not obscure the meaning, intent or legal effect of subsurface resource form.
- (f) Where a subsurface resource form is executed under seal, the seal must be affixed in a way that does not render the subsurface resource form or any part of it illegible.
- (g) Every subsurface resource form must be completed in the English language.

PART 3 - FEES

Application fees

- 3.1 (a) An applicant for a permit under section 4.3 of the Act must pay to the Yuulu?il?ath government the applicable fee set out in Schedule 2.
- (b) An applicant for a revision or an extension of a permit under section 4.6 of the Act must pay to the Yuulu?il?ath government the applicable fee set out in Schedule 2.
- (c) Any fee required under this section must be submitted to the lands manager
- (i) together with the application, or
 - (ii) on or before such other date as may be agreed to by the lands manager.
- (d) Any fee paid under this section is non-refundable.

Interest on debt for abandoned mine

- 3.2 The interest rate for the purposes of section 5.11(b) of the Act is the prime lending rate set from time to time by the principal banker to the Yuulu?il?ath First Nation plus 2% per annum, compounded monthly.

PART 4 - ROYALTIES

Rate of royalty

- 4.1 Each fiscal year, the owner or operator of a producing mine must pay to the Yuulu?il?ath government royalties on the value of the producing mine's output during that fiscal year in the amount of 13% of the value of the output of the mine.

Commencement of production

- 4.2 For the purposes of this Part, the date on which a mine becomes a producing mine is the day the mine begins to produce one or more subsurface resources in reasonable commercial quantities.

Output agreement

- 4.3 Prior to issuing a permit for production activities under section 4.4 of the Act, the lands manager must enter into an output agreement with the applicant that establishes a formula and rules for calculating the value of the output of that mine.

Timing of payment

- 4.4 Royalties payable under the Act and this regulation accrue during a fiscal year as the output of the mine is produced and must be remitted to the royalty administrator not later than the last day of the fourth month after the end of that fiscal year.

Mining royalty return

- 4.5 The owner or operator of a producing mine must, together with the payment of royalties, provide the royalty administrator a completed mining royalty return for each fiscal year that mine is in production.

Interest on unpaid royalty

- 4.6 An owner or operator of a producing mine that fails to pay royalties when they are due must pay to the Yuulu?il?ath government interest on the amount of the unpaid royalties at the prime lending rate set from time to time by the principal banker to the Yuulu?il?ath First Nation plus 2% per annum, compounded monthly.

Penalty for unpaid royalty

- 4.7 An owner or operator of a producing mine that fails to pay royalties for a fiscal year when they are due must pay to the Yuulu?il?ath government a penalty of 10% of the unpaid royalties for that fiscal year.

Demand for information

- 4.8 (a) The lands manager may, by registered letter or by a demand served personally, require from any person any information or additional information, or the production of any records, within any reasonable time he or she stipulates, if it is reasonable to make the demand in order to determine liability or possible liability to pay royalties under the Act and this regulation.
- (b) A person receiving a demand under subsection (a) must comply with the demand within the time stipulated.

Books and records

- 4.9 (a) Every person carrying on business on Yuulu?il?ath lands who is required under the Act and this regulation to pay royalties or other amounts must keep books or records at his or her place of business in Canada, in a form and including information that will enable those royalties to be calculated.
- (b) Every person required by this Act to keep books or records must, until written permission for their disposal is obtained from the lands manager, retain every book or record and every account or voucher necessary to verify the information in the books or records.

SCHEDULE 1 – SUBSURFACE RESOURCE FORMS

SR-1 – Application for Permit

SR-2 - Permit

SR-3 - Application to Revise or Extend a Permit

SR-4 – Mining Royalty Return

SR-1 – APPLICATION FOR PERMIT

YUULU?IL?ATH FIRST NATION



**Subsurface Resources Act
Subsurface Resources Regulation
Form SR-1**

**APPLICATION FOR
MINING ACTIVITY PERMIT**

Date received:

File no:

Permit No.:

Fee paid

*(for Department of Lands and
Resources use only)*

I, _____ (*name of applicant*) hereby apply under the Subsurface Resources Act for a permit to undertake one or more mining activities on Yuulu?il?ath lands.

APPLICANT'S CONTACT INFORMATION

Name:	
Incorporation or Registration No. <i>(if applicable):</i>	
Address:	
Telephone No.:	
Email Address:	

NATURE OF PROPOSED MINING ACTIVITY(IES) (*please check one or more of the following, as applicable*)

- Exploration and Development
- Production
- Reclamation

PROPOSED LOCATION OF MINING ACTIVITY(IES)

Description:

BRIEF DESCRIPTION OF PROPOSED MINING ACTIVITY(IES)

Description:

If the application is for a producing mine, the total number of tonnes proposed to be extracted or moved in the highest producing year:

_____ (number of tonnes)

A management plan outlining the details of the proposed mining activity(ies) must be attached in order for this application to be considered complete. The management plan must include the following:

- a plan for the protection and reclamation of the land and watercourses affected by the mine, including
 - any information and particulars required by the regulations or the code, and
 - any maps required by the regulations or the code

I certify that the information contained in this application, including any attachments, is true, accurate and complete to the best of my knowledge.

(name and title of authorized signatory)

FOR OFFICE USE ONLY

I have reviewed this application and have denied or approved the application.

If denied, indicate reasons:

Signature of Lands Manager

Date

SR-2 – PERMIT

YUULU?IL?ATH FIRST NATION

**Subsurface Resources Act
Subsurface Resources Regulation
Form SR-2**

MINING ACTIVITY PERMIT



Date issued:

File no:

*(for Department of Lands and Resources
use only)*

PERMIT NO. _____

THIS PERMIT dated as of and with effect from _____ *(date)* is hereby issued

PURSUANT TO section 4.4 of the Subsurface Resources Act

TO

*(PERMITTEE'S LEGAL NAME)
(ADDRESS OF PERMITTEE)
(TELEPHONE NO. OF PERMITTEE)
(the "Permittee")*

TO CARRY OUT THE FOLLOWING MINING ACTIVITIES:

(description of authorized mining activities)

AT THE FOLLOWING LOCATION ON YUULU?IL?ATH LANDS:

(description of authorized location)

ON THE FOLLOWING TERMS AND CONDITIONS

1. *(list of terms and conditions)*

Date

(name)
Yuulu?il?ath First Nation
Lands Manager

SR-3 – APPLICATION TO REVISE OR EXTEND A PERMIT

YUULU?IL?ATH FIRST NATION

**Subsurface Resources Act
Subsurface Resources Regulation
Form SR-3**



Date received:

File no:

Permit No.:

Fee paid

(for Department of Lands and Resources use only)

**APPLICATION TO REVISE OR EXTEND A
MINING ACTIVITY PERMIT**

I, _____ (*name of applicant*) hereby apply under the Subsurface Resources Act to revise or extend a mining activity permit

PERMIT NO: _____

APPLICANT'S CONTACT INFORMATION

Name:	
Incorporation or Registration No. (<i>if applicable</i>):	
Address:	
Telephone No.:	
Email Address:	

NATURE OF PROPOSED REVISION(S) OR EXTENSION

Description:

REASON(S) FOR REVISION(S) OR EXTENSION

Description:

If this is an application to revise a mining activity permit, a management plan outlining the details of the proposed mining activity(ies) must be re-submitted and attached in order for this application to be considered complete. The management plan must include the following:

- a plan for the protection and reclamation of the land and watercourses affected by the mine, including
 - any information and particulars required by the regulations or the code, and
 - any maps required by the regulations or the code

I certify that the information contained in this application, including any attachments, is true, accurate and complete to the best of my knowledge.

(name and title of authorized signatory)

FOR OFFICE USE ONLY

I have reviewed this application and have denied or approved the application.

If denied, indicate reasons: _____

Signature of Lands Manager

Date

SR-4 – MINING ROYALTY RETURN

YUULU?IL?ATH FIRST NATION

**Subsurface Resources Act
Subsurface Resources Regulation
Form SR-4**



Date received:

File no:

Royalties Paid

*(for Department of Lands and Resources
use only)*

MINING ROYALTY RETURN

PERMIT NO: _____

FISCAL YEAR: _____ *(start)* to _____ *(end)*

TOTAL AMOUNT REMITTED WITH THIS RETURN: _____

PERMITTEE CONTACT INFORMATION

Name of Mine:	
Name of Permittee:	
Incorporation or Registration No. <i>(if applicable):</i>	
Address:	
Telephone No.:	
Email Address:	

CALCULATION OF VALUE OF OUTPUT OF MINE

--

CALCULATION OF ROYALTIES**SUPPORTING DOCUMENTS**

The following supporting documents must be attached in order for this return to be considered complete.

- a copy of the federal income tax return and all schedules of the permittee for the fiscal year
- a copy of the financial statements of the permittee for the fiscal year

I certify that the information contained in this return, including any attachments, is true, accurate and complete to the best of my knowledge.

(name and title of authorized signatory)

SCHEDULE 2 – FEES

Description	Application Fee
APPLICATION FOR A PERMIT	
Exploration and development activities with a total surface disturbance of less than or equal to 1 hectare	\$500
Exploration and development activities with a total surface disturbance of greater than 1 but less than or equal to 5 hectares	\$1,000
Exploration and development activities with a total surface disturbance of greater than 5 hectares	\$2,000
Production activities where the tonnes proposed to be extracted or moved in the highest producing year are less than or equal to 10,000 tonnes	\$2,000
Production activities where the tonnes proposed to be extracted or moved in the highest producing year are greater than 10,000 tonnes but less than or equal to 60,000 tonnes	\$4,000
Production activities where the tonnes proposed to be extracted or moved in the highest producing year are greater than 60,000 tonnes but less than or equal to 125,000 tonnes	\$8,000
Production activities where the tonnes proposed to be extracted or moved in the highest producing year are greater than 125,000 tonnes but less than or equal to 250,000 tonnes	\$16,000
Production activities where the tonnes proposed to be extracted or moved in the highest producing year are greater than 250,000 tonnes	\$32,000
APPLICATION FOR REVISION OR EXTENSION OF A PERMIT	
Revision or extension of a permit that, in the opinion of the lands manager, is merely administrative or clerical in nature	\$25
Revision or extension of a permit that, in the opinion of the lands manager, is not merely administrative or clerical in nature	Applicable permit application fee above less any permit fee already paid for that category of mining activity to date

