January 14, 2004

COAL AND MINERAL DEVELOPMENT BULLETIN 2004-01

SUBJECT: METALLIC AND INDUSTRIAL MINERALS REGULATION (A.R. 66/93) REVIEW

The Alberta Department of Energy has completed the review of the Metallic and Industrial Minerals Regulation, which commenced in February 2002. During this review stakeholders had an opportunity to provide input through meetings, presentations, correspondence and one-on-one consultation.

We invite feedback on the proposed regulation changes noted below.

**Metallic and Industrial Mineral Permits**

- Extending the permit term from 10 years to 14 years, which will provide two additional two-year work periods, each with an expenditure requirement of $15 per hectare.
- Replacing the 60-day restriction on re-applying for a permit on relinquished lands with an operating policy of showing lands as “availability pending” for 30 days.
- Reducing the mineral assessment filing period from 90 to 60 days after the end of the work period, provided a Statement of Intent to File Mineral Assessment is submitted within 30 days prior to the end of the work period.
- Revising the Mineral Assessment Report requirements so that only one copy of administrative documents will be required, along with two copies of the technical report. Changes also allow submission of data in electronic format to be considered.
- Adjusting extensions and exemptions for submitting core will be considered.
- The Confidentiality Period for mineral core/samples and mineral assessment will be the same, based on the last day of the work period. Mineral core and mineral assessment will have the same due date.
Placer Licenses

- Changes to operating requirements have been made to align with fish management practices and requirements.

- Seasonal and location restrictions will be based on the Water Body Classification Maps, administered by Alberta Sustainable Resource Development. Class C and D water bodies have no seasonal restriction. Production along Class A and B water bodies is allowed from May 15 to Sept 15 where the flowing water of the active channel is 20 metres across or greater.

Secondary Mineral Lease

- This new lease type will allow for recovery of metallic and industrial minerals from surface materials as a secondary activity or by-product under an approved primary operation, usually a sand and gravel operation.

- This agreement will have a 5-year term (renewable). There will be no rental charge.

- The area of an agreement will be based on the area of the primary operation.

- Placer mining as a primary operation causing new disturbance will still require a lease.

For more details, please refer to the enclosed table or the draft regulation, published along with background material, on the Department of Energy Website at: http://www.energy.gov.ab.ca. Go to: Coal and Minerals => Regulatory Review.

Please provide feedback by January 28, 2004. You may respond by email to CMD.Energy@gov.ab.ca, or contact:

Susan Carlisle
Director of Mineral Agreements
Coal and Mineral Development
Alberta Department of Energy
7th Floor, North Petroleum Plaza
9945-108 Street
Edmonton, AB T5K 2G6

Phone: 780 415-0349
Fax: 780 422-5447

Yours truly,

[original signed]