

FAQ's

What does JEA define as a critical mineral?

Eligible Critical Minerals (CM's) under JEA are based on both, Canada's Critical Minerals List identified in Appendix A, and NL's Critical Minerals List identified in Appendix B, of the JEA 2024 Guidelines.

If my project is non-critical mineral target, will new CMA and PCMA negatively affect my rebate under JEA?

No, see "How will my rebate be calculated?" for additional information.

Am I eligible for both CMA and PCMA rebates if I have a critical mineral focused project?

Exploration projects with a primary exploration target mineral identified on both Canada's Critical Minerals List (identified in Appendix A), and Newfoundland and Labrador's Critical Minerals List (identified in Appendix B) and the project meets the requirements under the JEA guidelines, then project will be eligible for both CMA and PCMA up to the maximum allowable rebate. CMA funding will be applied first. Exploration programs that have a secondary exploration target mineral on both lists may be eligible for both CMA and PCMA should there be funding remaining after all primary exploration target projects are funded to the maximum grant amount. See JEA 2024 Guidelines for details.

What if my primary exploration target critical mineral identified is only on Newfoundland and Labrador's Critical List (identified in Appendix B)?

If the primary exploration target critical mineral identified is only on Newfoundland and Labrador's Critical Minerals List (identified in Appendix B), then the project will be eligible for PCMA funding up to the maximum grant amount but will not be eligible for CMA funding.

What does primary exploration target mineral mean?

The primary exploration target mineral is the main economic mineral that the company is targeting with their exploration plan.

What does Secondary exploration target mineral mean?

To be a secondary exploration target mineral the mineral must have economic potential as a by-product of mining the primary target mineral, or there must be potential for the discovery of a separate mineral deposit on the property in addition to the primary exploration target mineral deposit. The exploration plan must also demonstrate specific activity and a portion of budget being directed toward this secondary exploration target mineral.

Does this mean my company can apply for a rebate for each of CMA, PCMA, and provincial grant funding?

On review of a submitted LOI, IET will indicate whether a project is eligible for CMA and/or PCMA.

A JEA rebate is a combination of provincial grant funding, and any applicable CMA and PCMA ACOA funding. A JEA rebate is paid as one combined payment. Companies may seek JEA funding for multiple properties by submitting a LOI for each property, however:

- The first LOI received will be considered for funding. If more than one LOI is submitted, the company must identify the order of preference.
- Any additional LOIs will only be considered for funding after all first preference LOIs have received full JEA rebate amounts.

Is a project with a secondary critical mineral exploration target guaranteed funding under CMA and PCMA?

CMA and PCMA are allocated to primary critical mineral exploration projects first, if the full CMA and PCMA budgets are required to fund these projects to the full rebate amount then it is possible that secondary critical mineral projects will not access CMA and/or PCMA funding. Please see “How will my rebate be calculated?” and “How will an over subscription of critical minerals as a primary exploration target effect rebates?”

How will my rebate be calculated?

Assuming, 35 exploration companies apply for JEA, all operating on the Island, all conducting grassroots exploration, all purely exploration companies (i.e., no mineral revenue), and all have spent \$400,000 on eligible exploration activities. 10 companies’ primary target is critical minerals and 10 companies’ secondary target is critical minerals. The other 15 companies were exploring for minerals **not** identified as a critical mineral in Appendices A and B of the JEA Guidelines. All the companies would fit into the category circled below in the table of JEA eligibility.

	Island of Newfoundland		Labrador	
	Companies NOT in Receipt of Mineral Revenue	Companies in Receipt of Mineral Revenue	Companies NOT in Receipt of Mineral Revenue	Companies in Receipt of Mineral Revenue
Grassroots Exploration	75% of eligible costs up to \$150,000	50% of eligible costs up to \$150,000	75% of eligible costs up to \$225,000	50% of eligible costs up to \$225,000
Non-grassroots Exploration	50% of eligible costs up to \$150,000	40% of eligible costs up to \$150,000	50% of eligible costs up to \$225,000	40% of eligible costs up to \$225,000

Outcomes of the Above Scenario under the [Previous \(2022\) JEA](#)

\$1,300,000 divided between the 35 companies equals \$37,142.86 for each company

Company's Exploration Target	Number of Companies	Existing JEA
		Total for Each Company
Primary Target = Critical Mineral(s)	10	\$37,142.86
Secondary Target = Critical Mineral(s)	10	\$37,142.86
Target does not include Critical Mineral(s)	15	\$37,142.86
Total	35	\$1,300,000

Outcomes with PCMA and CMA

Step 1: CMA component

\$1,300,000 CMA budget used to fund the 10 companies that are targeting critical minerals as the primary target of exploration to a prorated rebate.

$\$1,300,000 \text{ CMA budget} / 10 \text{ critical mineral primary target} = \$130,000 \text{ CMA rebate/company}$

Step 2: PCMA component

PCMA is used to top up the 10 companies that are targeting critical minerals as the primary target of exploration with an additional \$20,000 to reach the \$150,000 maximum rebate.

$10 \text{ critical mineral primary target} \times \$20,000 \text{ rebate} = \$200,000$

The remaining PCMA is divided between the 10 companies targeting critical minerals as the secondary target of exploration.

$\$1,300,000 \text{ PCMA} - \$200,000 \text{ paid to primary} = \$1,100,000 \text{ remaining to be allocated between secondary projects}$

$\$1,100,000 / 10 \text{ secondary} = \$110,000 \text{ for each company with a secondary CM focus}$

Step 3: Provincial grant component

The 10 companies targeting critical minerals as the primary target for exploration have received a maximum rebate (\$150,000) and as a result will not receive any provincial portion of JEA as these are fully funded.

The 10 companies targeting critical minerals as a secondary target of exploration and 15 companies that are not targeting critical minerals are also eligible for the provincial portion of JEA up to \$150,000.

Request by the 25 remaining companies (15 non-critical mineral plus 10 secondary) not fully funded:

Non-Critical Mineral Target	15 x \$150,000	=	\$2,250,000
CM(s) as Secondary Target	10 x \$150,000	=	<u>\$1,500,000</u>
Total Provincial Portion Requested			\$3,750,000

\$1,300,000 provincial portion of JEA divided by \$3,750,000 provincial portion requested equals 34.67% proration of Provincial portion of JEA, therefore:

Non-CM Target	\$150,000 Maximum x 34.67% = \$52,000
Critical Mineral(s) as Secondary Target	\$150,000 Maximum x 34.67% = \$52,000

Companies targeting CM(s) as a Secondary Target are only eligible for \$40,000 in Provincial portion of JEA (\$150,000 max Rebate - \$110,000 PCMA = \$40,000 Provincial portion)

Provincial portion is used to top up the 10 companies that are targeting critical minerals as the secondary target.

10 critical mineral secondary target x \$40,000 rebate = \$400,000

Remaining Provincial portion of JEA (\$1,300,000 - \$400,000) = \$900,000 to fund the 15 non-critical mineral focused companies.

\$900,000 Provincial portion/15 companies = \$60,000 per company

Summary Table

			2024 JEA Rebate			
		Previous JEA (2022) for comparison			Provincial Portion	Total for Each Company
Company's Exploration Target	Number of Companies	Total for Each Company	CMA	PCMA		
Primary Target = Critical Mineral(s)	10	\$37,142.86	\$130,000	\$20,000		\$150,000
Secondary Target = Critical Mineral(s)	10	\$37,142.86		\$110,000	\$40,000	\$150,000
Target does not include Critical Mineral(s)	15	\$37,142.86			\$60,000	\$60,000
Total	35	\$1,300,000	\$1,300,000	\$1,300,000	\$1,300,000	\$3,900,000

How will an over subscription of critical minerals as a primary exploration target effect rebates?

Assuming, 35 exploration companies apply for JEA, all operating on the Island, all conducting grassroots exploration, all purely exploration companies (i.e., no mineral revenue), and all have spent \$400,000 on eligible exploration activities. 20 companies' primary target is critical minerals and 5 companies' secondary target is critical minerals. The other 10 companies were exploring for minerals **not** identified as a critical mineral in Appendices A and B of the JEA Guidelines. All the companies would fit into the category circled below in the table of JEA eligibility.

	Island of Newfoundland		Labrador	
	Companies NOT in Receipt of Mineral Revenue	Companies in Receipt of Mineral Revenue	Companies NOT in Receipt of Mineral Revenue	Companies in Receipt of Mineral Revenue
Grassroots Exploration	75% of eligible costs up to \$150,000	50% of eligible costs up to \$150,000	75% of eligible costs up to \$225,000	50% of eligible costs up to \$225,000
Non-grassroots Exploration	50% of eligible costs up to \$150,000	40% of eligible costs up to \$150,000	50% of eligible costs up to \$225,000	40% of eligible costs up to \$225,000

Outcomes of the Above Scenario under the [Previous \(2022\) JEA](#)

\$1,300,000 divided between the 35 companies = \$37,142.86 Rebate for each company

Company's Exploration Target	Number of Companies	Existing JEA
		Total for Each Company
Primary Target = Critical Mineral(s)	20	\$37,142.86
Secondary Target = Critical Mineral(s)	5	\$37,142.86
Target does not include Critical Mineral(s)	10	\$37,142.86
Total	35	\$1,300,000

Outcomes with [CMA and PCMA](#)

Step 1: CMA component

\$1,300,000 CMA budget used to fund the 20 companies that are targeting critical minerals as the primary target of exploration to a prorated rebate.

20 critical mineral primary target x \$150,000 max grant = \$3,000,000 CMA requested

\$1,300,000 CMA portion of JEA divided by the \$3,000,000 CMA requested equals 43.33% proration of CMA portion of JEA.

Critical mineral primary target CMA \$150,000 Maximum x 43.33% = \$65,000.00 CMA prorated

In this scenario, no CMA funds remain for the 5 companies with critical minerals as a secondary target.

See summary table below.

Step 2: PCMA component

\$1,300,000 PCMA budget is also used to fund the 20 companies that are targeting critical minerals as the primary target of exploration to a prorated rebate.

\$150,000 max Rebate - \$65,000 CMA Rebate = \$85,000 potential PCMA rebate remaining per CM project

20 critical mineral primary target x \$85,000 PCMA Maximum = \$1,700,000 PCMA requested

\$1,300,000 PCMA portion of JEA divided by the \$1,700,000 PCMA requested equals 76.47% proration of PCMA portion of JEA.

Critical mineral primary target PCMA \$85,000 Maximum x 76.47% = \$65,000.00 PCMA prorated

In this scenario, no PCMA funds remain for the 5 companies with critical minerals as a secondary target.

Step 3: Provincial grant component

\$1,300,000 Provincial grant divided between the 35 companies = \$37,142.86 Rebate for each company

The 20 companies with critical minerals as a primary target of exploration have each received \$130,000 combined from CMA and PCMA, and are therefore only eligible for the provincial portion of JEA up to \$20,000 to get to the \$150,000 max rebate for this year.

20 critical mineral primary target x \$20,000 rebate = \$400,000

The remaining 15 companies (CM as a secondary target and non-CM target) are eligible for the remaining \$900,000 provincial grant portion of JEA up to \$150,000 maximum

Non-Critical Mineral Target	10 x \$150,000 =	\$1,500,000
Critical Minerals as Secondary Target	5 x \$150,000 =	<u>\$750,000</u>
Total Provincial portion requested		\$2,250,000

The provincial portion of JEA \$900,000 is divided by the \$2,250,000 provincial portion requested to determine a 40% proration of Provincial portion of JEA.

Non-CM Target	\$150,000 Maximum x 40% =	\$60,000
CM(s) as Secondary Target	\$150,000 Maximum x 40% =	\$60,000

		Previous JEA (2022) for comparison	2024 JEA Rebate			
Company's Exploration Target	Number of Companies	Total for Each Company	CMA	PCMA	Provincial Portion	Total for Each Company
Primary Target = Critical Mineral(s)	20	\$37,142.86	\$65,000	\$65,000	\$20,000	\$150,000
Secondary Target = Critical Mineral(s)	5	\$37,142.86			\$60,000	\$60,000
Target does not include Critical Mineral(s)	10	\$37,142.86			\$60,000	\$60,000
Total	35	\$1,300,000	\$1,300,000	\$1,300,000	\$1,300,000	\$3,900,000