CLAIM STAKING, LICENSE MANAGEMENT AND ASSESSMENT REPORTING
MINERAL RIGHTS LEGISLATION

- Mineral Act
- Mineral Regulations
DEFINITION OF MINERAL

“mineral” means a naturally occurring inorganic substance including coal and minerals contained in mine tailings, but does not include:

• water
• quarry materials as defined in the Quarry Materials Act,
• stratified deposits other than coal from which oil can be extracted by destructive distillation, or
• petroleum as defined in the Petroleum and Natural Gas Act
CLAIM STAKING
TO STAKE A CLAIM

- You must be a corporation or at least 19 years of age

- You must stake online – Internet Explorer and Netscape web browsers; payable by credit card (Visa / Mastercard) only

- You must be registered with the Mineral Lands Division of the Department of Natural Resources (no cost)

- For help, contact the claims recorder (709 729 6437)
TO STAKE A CLAIM (CNT’D)

• Claims are 500 m on a side and are staked on a pre-determined grid

• Claims are staked in blocks (called licenses) ranging from 1 to a maximum of 256 contiguous units. There are no restrictions on shape of the license

• Staking costs include a $10 recording fee and a $50 refundable security deposit

• A Genuine Prospector can stake up to 30 claims per year without paying the security
MINERAL LICENSE

• Is issued 30 days after staking

• Gives the holder the exclusive right to explore but not to mine (mining and surface leases are required)

• Is issued for a 5 year term but can be renewed every 5 years for a maximum of 20 years – work is required to be completed, reported and accepted annually
LICENSE MANAGEMENT
MINERAL LICENSE MAINTENANCE

- Yearly exploration must be completed and an ‘assessment report’ describing the work must be filed and accepted.
- Reports are held confidential for three years provided the mineral license is in good standing.
- Extensions of time may be obtained both to perform work and file assessment reports.
- A mineral license may be reduced in size or split into two or more smaller licenses.
- Two or more mineral licenses may be grouped under certain conditions.
Mineral exploration approval is required before exploration work can be completed on a mineral license or mining lease.

To obtain approval, you must complete and submit a form available from the Natural Resources website at http://www.nr.gov.nl.ca/nr/forms/mines/expl_approval.pdf

For help contact the exploration approvals geologist (709 729 6408)
Land Use Interests

Agencies:
- Forestry
- Wildlife
- Historic Resources
- Private Land
- Municipalities
- Outfitters
- Water Resources
- Parks
- Etc.
Assessment Reporting
Assessment Reports

• Assessment work to a minimum value must be conducted yearly to keep your claims in good standing

• An assessment report is submitted to the Department describing the work you have done on your license and the results obtained

• The report should be filed within 60 days of the anniversary of the license. A 60 day extension of time is possible

• Always send a copy of your report to the Department. Keep the original for your own files
What to Report

- All work should be reported – prospecting, sampling, trenching, and any site visits from exploration personnel
- The most important details are sample locations, assay results and expenditures
- You can also report time spent on file research and compilation - once per License
- A sample assessment report is found on the Department’s website and can be used for reference
- Contact the assessment report review geologist for help (709 729 0573)
Maps

Three types of map are usually suggested:

• Property Location Map (regional scale)
• License Location Map (local scale)
• Sample Location Map (detailed scale)
Property Location Map

Shows the location of your property on a regional scale

Blank copies are available from the Department
You can use the map attached to your License (use a copy, not the original)

Or, you can make a map from the Resource Atlas, as shown here

Note the important details in red
Sample Location Map

Can use a blow-up of your License Map or a topographic map
Appendices

Appendices come at the end of the report, and usually contain data, for example:

- Sample list with locations and brief descriptions
- Laboratory assay certificates
- Geochemical or geophysical survey data
- Expenditure list for work performed
### SAMPLE LIST

<table>
<thead>
<tr>
<th>Sample #</th>
<th>UTM E</th>
<th>UTM N</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>R01</td>
<td>630000</td>
<td>5364000</td>
<td>0.5 metre quartz float, minor py</td>
</tr>
<tr>
<td>R02</td>
<td>632000</td>
<td>5365000</td>
<td>Rusty outcrop, quartz veins, cp etc.</td>
</tr>
</tbody>
</table>

- py = pyrite, cp = chalcopyrite

- Ensure sample numbers are unique and consistent between location map, sample list and assay certificates
## Assay Certificates

### Client:
Costhail Exploration & Mining

### Geologist:
B. Sparks

### Project:
SGP

### Sample:
Rock

### Test File:
591-E06263

### Date In:
June 17, 2009

### Date Out:
June 24, 2009

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| Sample Number | Au | Ag | Bi | Ca | Cd | Co | Cu | Cr | Cs | Fe | Hg | K | La | Mg | Mn | Mo | Na | Ni | Pb | Sr | Ti | V | W | Zn | ppm |
|---------------|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|
| S10001        | 6778 | 10 | 6  | 10 | 0.56 | 0.02 | 1 | 0.01 | 344 | 2 | 0.14 | 8 | 0.06 | 0.5 | 0.06 | 4 | 6 | 5 | 0.6 | 25 | 2 | 0.01 | 5 | 2 | 7 | 10 | 10 | 0.01 | 295 | 20 | 342 |
| S10002        | 2440 | 10 | 7  | 14 | 0.98 | 0.02 | 1 | 0.05 | 539 | 3 | 0.16 | 3 | 0.16 | 0.5 | 0.07 | 24 | 7 | 5 | 0.2 | 57 | 2 | 0.01 | 5 | 4 | 10 | 10 | 10 | 0.03 | 973 | 20 | 433 |
| S10003        | 5  | 10 | 1  | 10 | 0.36 | 0.01 | 1 | 0.01 | 7 | 2 | 0.11 | 9 | 0.05 | 0.5 | 0.01 | 4 | 2 | 5 | 0.2 | 2 | 2 | 0.01 | 5 | 2 | 7 | 10 | 10 | 0.01 | 221 | 20 | 353 |
| S10004        | 5  | 30 | >220 | 24 | 0.85 | 0.01 | 1 | 0.20 | 5 | 10 | 0.19 | 9 | 0.55 | 0.5 | 3.72 | 40 | 6 | 5 | 0.2 | 13 | 2 | 0.01 | 5 | 5 | 7 | 10 | 10 | 0.05 | 910 | 20 | 345 |
| S10005        | 5  | 17 | 4  | 10 | 0.83 | 0.02 | 1 | 0.02 | 11 | 4 | 0.16 | 11 | 0.11 | 0.5 | 0.04 | 5 | 24 | 5 | 0.2 | 5 | 2 | 0.01 | 5 | 2 | 11 | 10 | 10 | 0.03 | 341 | 20 | 453 |
| S10006        | 5  | 10 | 2  | 10 | 0.37 | 0.01 | 1 | 0.01 | 5 | 1 | 0.13 | 15 | 0.03 | 0.5 | 0.02 | 2 | 4 | 5 | 0.2 | 2 | 2 | 0.01 | 5 | 1 | 8 | 10 | 10 | 0.01 | 35 | 20 | 462 |
| S10007        | 5  | 245 | 3  | 15 | 1.34 | 0.01 | 1 | 0.75 | 5 | 4 | 0.20 | 8 | 0.66 | 0.5 | 0.02 | 38 | 3 | 5 | 0.2 | 2 | 2 | 0.01 | 5 | 6 | 10 | 10 | 10 | 0.02 | 2853 | 20 | 312 |
| S10008        | 5  | 10 | 4  | 10 | 0.01 | 0.02 | 1 | 0.02 | 23 | 2 | 0.13 | 14 | 0.11 | 0.5 | 0.03 | 6 | 5 | 5 | 0.2 | 7 | 2 | 0.01 | 5 | 2 | 9 | 10 | 10 | 0.01 | 913 | 20 | 447 |
| S10009        | 5  | 10 | 2  | 10 | 0.52 | 0.01 | 1 | 0.01 | 39 | 3 | 0.18 | 12 | 0.07 | 0.5 | 0.01 | 3 | 3 | 5 | 0.2 | 2 | 2 | 0.01 | 5 | 2 | 9 | 10 | 10 | 0.01 | 248 | 20 | 448 |
| S10010        | 5  | 10 | 2  | 10 | 0.41 | 0.01 | 1 | 0.01 | 31 | 2 | 0.17 | 14 | 0.06 | 0.5 | 0.01 | 2 | 4 | 5 | 0.2 | 2 | 2 | 0.01 | 5 | 1 | 7 | 10 | 10 | 0.01 | 108 | 20 | 432 |
| S10052        | 101 | 10 | 2  | 10 | 0.35 | 0.01 | 1 | 0.01 | 15 | 2 | 0.15 | 10 | 0.04 | 0.5 | 0.02 | 1 | 3 | 5 | 0.2 | 2 | 2 | 0.01 | 5 | 1 | 6 | 10 | 10 | 0.01 | 45 | 20 | 393 |
| S10033        | 56 | 20 | 10 | 15 | 1.70 | 0.01 | 1 | 0.13 | 331 | 8 | 0.16 | 14 | 0.32 | 0.5 | 0.17 | 13 | 28 | 5 | 0.2 | 2 | 2 | 0.01 | 5 | 4 | 11 | 10 | 10 | 0.02 | 494 | 20 | 467 |

- These are sent to you from the lab
Costs

Total costs should be listed, and then distributed by License if more than one License is being reported. Some typical items include:

- Prospecting \((\text{# days} \times \$100/\text{day})\)
- Report and research \((\text{# days} \times \$100/\text{day})\)
- Vehicle \((\text{# days} \times \$60/\text{day})\)
- Quad \((\text{# days} \times \$40/\text{day})\)
- Assays \((\text{total from receipts})\)
- etc.

- For allowable daily rates, refer to [this page](#) on the DNR website
- Note that receipts should not be filed unless requested
CONTACTS:
DEPARTMENT OF NATURAL RESOURCES

- Justin Lake  Claims recorder  709 729 6437  justinwlake@gov.nl.ca
- Trina Adams  Assessment reports  709 729 0573  trinaadams@gov.nl.ca
- Phil Saunders  Exploration consultant  709 729 6193  philsaunders@gov.nl.ca

Department of Natural Resources website  http://www.nr.gov.nl.ca/nr/
Matty Mitchell Room  http://www.nr.gov.nl.ca/nr/mines/prospector/matty_mitchell/index.html