

Duncan, Kate EMPR:EX

From: Robb, Peter L. EMPR:EX
Sent: June 8, 2018 8:59 AM
To: Mungall, Michelle EMPR:EX
Cc: Duncan, Kate EMPR:EX; Hill, Robert EMPR:EX; McNish, James EMPR:EX; Messmer, Mark J EMPR:EX
Subject: Re: Mining Lease Term Extension Issues

Thanks minister... there is a lot of back story to this and I will set up a separate meeting with you to discuss where the CGC is at and his rationale.

On Jun 8, 2018, at 7:32 AM, Mungall, Michelle EMPR:EX <Michelle.J.Mungall@gov.bc.ca> wrote:

Hi,

I sent this email to MLA Tom Shypitka last week. Not sure if anything has come to MO or CO since. Please look out for it if it hasn't.

Thanks

Sent from my iPhone

Begin forwarded message:

From: "Mungall, Michelle EMPR:EX" <Michelle.J.Mungall@gov.bc.ca>
Date: June 1, 2018 at 4:11:45 PM PDT
To: "Shypitka, Tom" <s.17>
Subject: Re: Mining Lease Term Extension Issues

Hi,

I'm not able to pass these on via email. Gov system saying the files are too big. I've tried multiple times from different web connections. Could you print off and put in the B.C. Mail, and I will be sure to get them to staff.

Thanks

Sent from my iPhone

On May 31, 2018, at 1:16 PM, Shypitka, Tom <s.17> wrote:

Minister Mungall,
Here are the details on the Davidson Deposit that I will be speaking to you briefly about in estimates.
I thought I would do you the courtesy of preparing you on this beforehand. I will explain more in chambers.

Tom Shypitka

<Timeline of Leases & Term Extension Issues.pdf>

<Documentation that supports timeline.pdf>

<Updated Technical Report & Resource Estimate 2016 Davidson
Deposit.pdf>

Duncan, Kate EMPR:EX

From: Mungall, Michelle EMPR:EX
Sent: September 17, 2018 5:30 PM
To: Sanderson, Melissa EMPR:EX
Subject: Fwd: Davidson Deposit and Lease Extensions

FYI

Sent from my iPhone

Begin forwarded message:

From: "Mungall, Michelle EMPR:EX" <Michelle.J.Mungall@gov.bc.ca>
Date: September 17, 2018 at 5:29:31 PM PDT
To: "Shypitka, Tom" <s.17
Cc: "Ralston, Bruce JTT:EX" <Bruce.Ralston@gov.bc.ca>, "Smith, Heather LASS:EX" <Heather.Smith@leg.bc.ca>, "Sproule, Spencer LASS:EX" <Spencer.Sproule@leg.bc.ca>, "Wilkinson, Andrew" <s.17
, "Mills, Shane LASS:EX" <Shane.Mills@leg.bc.ca>, Trish Jacques <jacques.trish@gmail.com>
Subject: Re: Davidson Deposit and Lease Extensions

Hi Tom,

Sorry you haven't heard from me sooner. s.22

s.22 thus I have not been aware or able to respond to your emails. I set up an automated response noting my leave, but perhaps you didn't get it and apologize for that.

I confirmed with my staff that the thumb drive was received at my office. My Administrative Assistant received it and spoke directly with your staff when they dropped it off. At that time she told your staff that s.22 so the information would be passed onto appropriate ministry staff, but that they would not be able to follow up until after my return and they had the chance to brief me.

You may recall that I responded directly to your email dated May 31 the following day on June 1. I let you know that the system was not letting me download the files you sent, and asked that you print and send via BC Mail so I could ensure they get to staff. I had not heard from you s.22 so was not able to do so. I see that you contacted me on August 17, but as stated above s.22 at that time and not responding to my minister's private email address.

I will follow up with my ADM shortly about this issue and be in touch with you.

Kind Regards,
Michelle

Sent from my iPhone

On Sep 13, 2018, at 8:11 AM, Shypitka, Tom <s.17 wrote:

Minister,

Re: Davidson Deposit and Lease Extensions.

It has been over one month since a thumb drive was sent to your office containing detailed information regarding the file that was brought forward during estimates in May. During those estimates a commitment from yourself was given to contact the proponent in regards to their concern on the following 6 points.

Furthermore, my office has not been given receipt that the thumb drive was ever received but I assumed it was because my staff delivered it.

Please acknowledge the receipt of this information and inform myself and the proponent that your consideration is pending.

I appreciate your immediate attention,

Sincerely,

Tom Shypitka, MLA

Kootenay East

From: Shypitka, Tom

Sent: August 17, 2018 11:01 PM

To: Mungall, Michelle I EMPR:EX <Michelle.J.Mungall@gov.bc.ca>

Cc: Smith, Heather <Heather.Smith@leg.bc.ca>; Dettling, Lois

<Lois.Dettling@leg.bc.ca>; Sproule, Spencer <Spencer.Sproule@leg.bc.ca>; Wilkinson, Andrew ·s.17

Subject: Davidson Deposit and Lease Extensions

Minister Mungall,

A thumb drive has been delivered to your office with all the information regarding the Davidson Deposit. This is the follow up to an earlier attempt via email which found the information to large to transfer.

As I'm sure you are aware, here is a brief summary of the issue at hand:

1. On October 11, 2017 the Chief Gold Commissioner had manually altered the electronic MTO Registry request filed in November 14, 2013 for a 21 year extension that had appeared to have been accepted, to 6 years which negatively affects the advanced stage Davidson Deposit.

2. No criteria or explanations provided for the arbitrary decisions being made; furthermore, the Chief Gold Commissioner (as per the MTA) has the option of extending up to and not to exceed 30 years.

3. Extension duration that Chief Gold Commissioner has allowed (6 years) is grossly insufficient to provide investment certainty and acceptable assumption of risk on Davidson Deposit which is an advanced stage mining project.

4. There is an inability to gain term extensions on mining leases that match past historical extension durations. These ranged from 20 – 30 years.

5. Davidson Deposit was optioned in April 2016 when the electronic MTO indicated 2040 term expiry date. The “new”, grossly reduced date of 2025 may impact option agreement and most certainly will impact any further investment decisions.

6. The purge of the alteration of the electronic MTO in October 13, 2017 (TAME Amendment) has resulted in now missing details about historical events and actions on leases held by Mr. Davidson back to November 2013.

Please, advise when we can have a discussion with the proponent to resolve this extreme oversight.

Sincerely,

Tom Shypitka, MLA
Kootenay East
Critic - Energy and Mines

Cochrane, Marlene EMPR:EX

From: Cochrane, Marlene EMPR:EX
Sent: Friday, September 28, 2018 9:35 AM
To: Westaff, Melissa EMPR:EX
Subject: Davidson Deposit

No problem. It's all good!

Marlene Cochrane
Executive Coordinator | Deputy Minister's Office
Ministry of Energy, Mines and Petroleum Resources
Victoria | British Columbia
Phone (778) 698 7254

From: Westaff, Melissa EMPR:EX
Sent: Friday, September 28, 2018 9:31 AM
To: Cochrane, Marlene EMPR:EX
Subject: RE: Davidson Deposit

Hi Marlene, thanks for responding to this – I didn't want to inundate you with too many requests s.22
😊

-M

From: Marshall, Rhonda EMPR:EX
Sent: Friday, September 28, 2018 9:29 AM
To: Cochrane, Marlene EMPR:EX
Cc: Westaff, Melissa EMPR:EX
Subject: RE: Davidson Deposit

Sounds good, thanks to both of you for your time 😊

From: Cochrane, Marlene EMPR:EX
Sent: Friday, September 28, 2018 9:28 AM
To: Marshall, Rhonda EMPR:EX
Cc: Westaff, Melissa EMPR:EX
Subject: Davidson Deposit

Hi Rhonda. Nancy sent me the email chain below. I don't recall seeing a BN for the Minister or DM on this subject, but your EA, Melanie Hunt, would be best to check with. Thank you.

Marlene Cochrane
Executive Coordinator | Deputy Minister's Office
Ministry of Energy, Mines and Petroleum Resources
Victoria | British Columbia
Phone (778) 698 7254

From: Wood, Nancy J EMPR:EX
Sent: Friday, September 28, 2018 9:22 AM
To: Cochrane, Marlene EMPR:EX
Subject: FW: Davidson Deposit

Marlene....

Forwarding this to you, I am thinking it should have gone to you for your advice.

Nancy

From: Marshall, Rhonda EMPR:EX
Sent: Friday, September 28, 2018 8:40 AM
To: Westaff, Melissa EMPR:EX
Cc: Wood, Nancy J EMPR:EX
Subject: RE: Davidson Deposit

Hi Melissa,

Thank you for your response. I am currently drafting a response and have also drafted a briefing note in case it is required. I will use our ORCS file numbering system for tracking purposes.

Cheers,
Rhonda

From: Westaff, Melissa EMPR:EX
Sent: Friday, September 28, 2018 8:37 AM
To: Marshall, Rhonda EMPR:EX
Cc: Wood, Nancy J EMPR:EX
Subject: RE: Davidson Deposit

Hi Rhonda,

Unfortunately it doesn't appear that this ever came through the CU, and I don't see any record of it being in Cliff. We don't have any auto-responses set up from our DM or Minister's inboxes, so I can confirm that the writer would not have received an auto-response.

The CU does deal with DM responses, however not very often. A lot of the times they get routed past us and we are not aware of the assignment, which seems to have happened in this case. If we were not the ones to receive the letter and then create/log the assignment and have it assigned out from the beginning, then it is unlikely that we ever see it.

I am copying Nancy Wood on this email who is in the DMO and may be able to advise you if a BN was provided. Sorry that I can't be of more assistance.

Thanks,

Melissa Westaff
A/Team Lead Correspondence
Ministry of Energy, Mines and Petroleum Resources
Ph: 778-698-1426

From: Marshall, Rhonda EMPR:EX
Sent: Friday, September 28, 2018 8:16 AM
To: Westaff, Melissa EMPR:EX
Subject: Davidson Deposit

Good morning Melissa,

I'm in receipt of a letter to the Deputy Minister from Tom Shypitka, MLA Kootenay East, dated August 8, 2018. During the estimates there was an enquiry regarding the Davidson Deposit and this letter was a follow up, with a thumb drive of information attached.

I received this letter from Brad Cox, with the Compliance and Enforcement Branch. It came to my attention as the Chief Gold Commissioner was out of town at the time. Brad had asked me to prepare a response and possibly a briefing note for this. I'm wondering if this came through the Correspondence Unit. If so, is there a cliff number for this, and was a response of any kind sent? My apologies, as I'm not familiar with the process, and am wondering whether or not there would have been an auto-generated response to say that the letter has been received and forwarded, etc.

Thank you,

Rhonda Marshall

Senior Advisor, Mineral and Coal Titles
Ministry of Energy, Mines and Petroleum Resources
300-865 Hornby Street, Vancouver, BC V6Z 2G3
Phone: 604-660-2670
Fax: 604-660-2653

Mineral Titles: www.MineralTitles.gov.bc.ca
Mineral Titles Email: Mineral.Titles@gov.bc.ca
Mineral Titles - Toll Free: 1-866-616-4999

MTO Information: www.MineralTitles.gov.bc.ca/mto/Pages/default.aspx
MTO E-Service: www.mtonline.gov.bc.ca/

Duncan, Kate EMPR:EX

From: Cochrane, Marlene EMPR:EX
Sent: November 19, 2018 10:43 AM
To: Duncan, Kate EMPR:EX
Subject: Davidson Deposit briefing request

Hi Kate. The C.U. has nothing in their logs, but MMRD may have replied direct. I will wait to hear what Peter and Nathaniel say. Thank you.

Marlene Cochrane
Executive Coordinator | Deputy Minister's Office
Ministry of Energy, Mines and Petroleum Resources
Victoria | British Columbia
Phone (778) 698 7254

From: Duncan, Kate EMPR:EX
Sent: Monday, November 19, 2018 10:35 AM
To: Robb, Peter L. EMPR:EX; Amann-Blake, Nathaniel EMPR:EX; Andrews, Scott EMPR:EX
Cc: Cochrane, Marlene EMPR:EX
Subject: FW: Davidson Deposit briefing request

Hello all,

We just received the email below from Mr. Shypitka, can you update me if there was any response to him after the thumb drive was sent. Also can we take care of this as quickly as possible?

Thanks

Kate Duncan
Administrative Coordinator to the Honourable Michelle Mungall
Minister of Energy Mines and Petroleum Resources
T: 250-387-2201
E: kate.duncan@gov.bc.ca

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From: Shypitka, Tom <s.17
Sent: November 19, 2018 10:26 AM
To: Mungall, Michelle EMPR:EX <Michelle.J.Mungall@gov.bc.ca>; Duncan, Kate EMPR:EX <Kate.Duncan@gov.bc.ca>
Cc: Mungall, Michelle <s.17 ; Horgan, John <s.17 ; Polak, Mary <s.17 ;
Sproule, Spencer LASS:EX <Spencer.Sproule@leg.bc.ca>; XT:Sultan, R LP:IN <s.17 ; Wheeldon, Christy
LASS:EX <Christy.Wheeldon@leg.bc.ca>; Smith, Heather LASS:EX <Heather.Smith@leg.bc.ca>; King, Wendy LASS:EX
<Wendy.King@leg.bc.ca>
Subject: Davidson Deposit briefing request

Minister Mungall,

I am following up once again on a file I brought to your attention in estimates back in May of 2018. At that moment you and your staff assured me that you would make all efforts to look into it and report back. I have given you the courtesy of providing you with all the background information via a thumb drive that was hand delivered to your office last summer.

As we approach the end of the fall session, I have made it clear in previous emails that we need some clarification on this issue before the session ends. s.22

s.22 and all we are asking is clarification and the reinstatement of their mine extension to the original 21 years that would expire in 2040.

I urgently request a briefing with your staff to bring me up to speed to what is happening with this. Please contact me as soon as possible to meet.

Thank you

Tom Shypitka, MLA
Kootenay East
Critic – Energy and Mines

P.S. Here is some background information

1. On October 11, 2017 the Chief Gold Commissioner had manually altered the electronic MTO Registry request filed in November 14, 2013 for a 21 year extension that had appeared to have been accepted, to 6 years which negatively affects the advanced stage Davidson Deposit.
2. No criteria or explanations provided for the arbitrary decisions being made; furthermore, the Chief Gold Commissioner (as per the MTA) has the option of extending up to and not to exceed 30 years.
3. Extension duration that Chief Gold Commissioner has allowed (6 years) is grossly insufficient to provide investment certainty and acceptable assumption of risk on Davidson Deposit which is an advanced stage mining project.
4. There is an inability to gain term extensions on mining leases that match past historical extension durations. These ranged from 20 – 30 years.

5. Davidson Deposit was optioned in April 2016 when the electronic MTO indicated 2040 term expiry date. The “new”, grossly reduced date of 2025 may impact option agreement and most certainly will impact any further investment decisions.

6. The purge of the alteration of the electronic MTO in October 13, 2017 (TAME Amendment) has resulted in now missing details about historical events and actions on leases held by Mr. Davidson back to November 2013.

Please, advise when we can have a discussion with the proponent to resolve this extreme oversight.

Duncan, Kate EMPR:EX

From: Andrews, Scott EMPR:EX
Sent: March 8, 2019 3:02 PM
To: Duncan, Kate EMPR:EX
Subject: FW: Conversation with Member Tom Shypitka

From: Andrews, Scott EMPR:EX
Sent: November 19, 2018 11:47 AM
To: Mungall, Michelle EMPR:EX <Michelle.J.Mungall@gov.bc.ca>
Cc: Sanderson, Melissa EMPR:EX <Melissa.Sanderson@gov.bc.ca>
Subject: Conversation with Member Tom Shypitka

Hi Minister,

FYI – Member Tom Shypitka called me this morning. We discussed the fatality at the Elkview Coal Mine and agreed to share information as it becomes available.

Secondly, he brought up the Davidson Deposit issue. It is a follow up from estimates back in May and he would like a briefing this week.

Background info is below:

1. On October 11, 2017 the Chief Gold Commissioner had manually altered the electronic MTO Registry request filed in November 14, 2013 for a 21 year extension that had appeared to have been accepted, to 6 years which negatively affects the advanced stage Davidson Deposit.
2. No criteria or explanations provided for the arbitrary decisions being made; furthermore, the Chief Gold Commissioner (as per the MTA) has the option of extending up to and not to exceed 30 years.
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6. The purge of the alteration of the electronic MTO in October 13, 2017 (TAME Amendment) has resulted in now missing details about historical events and actions on leases held by Mr. Davidson back to November 2013.

Scott Andrews

Ministerial Assistant

Ministry of Energy, Mines, and Petroleum Resources

(250) 896-4532 cell

(250) 387-4471 office

Duncan, Kate EMPR:EX

From: Messmer, Mark J EMPR:EX
Sent: November 20, 2018 1:16 PM
To: Andrews, Scott EMPR:EX
Cc: Duncan, Kate EMPR:EX; Chace, Julie EMPR:EX
Subject: RE: Davidson Deposit briefing request

Hi Scott, yes I do.

Anytime the rest of today or anytime tomorrow before 0900h or anytime after 1030h are good.

Anytime Thursday is good as well.

I am on the road all this week and can be reached by cell – s.17

From: Andrews, Scott EMPR:EX
Sent: Tuesday, November 20, 2018 12:09 PM
To: Chace, Julie EMPR:EX
Cc: Duncan, Kate EMPR:EX; Messmer, Mark J EMPR:EX
Subject: RE: Davidson Deposit briefing request

Thanks Julie.

Mark – do you have some time this week to brief member Shypitka? Also, can you send over the briefing note?

Thanks,

Scott Andrews
Ministerial Assistant
Ministry of Energy, Mines, and Petroleum Resources
(250) 896-4532 cell
(250) 387-4471 office

From: Chace, Julie EMPR:EX
Sent: Monday, November 19, 2018 4:31 PM
To: Andrews, Scott EMPR:EX
Cc: Duncan, Kate EMPR:EX; Messmer, Mark J EMPR:EX
Subject: Re: Davidson Deposit briefing request

Hi Scott,

Mark Messmer (ccd here) has drafted a BN and will be best positioned to brief member Shypitka.

Have a great afternoon!

Thank you.
Julie Chace

Sent from my iPhone

On Nov 19, 2018, at 3:30 PM, Andrews, Scott EMPR:EX <Scott.Andrews@gov.bc.ca> wrote:

Hi Julie,

Do you have any availability this week to brief member Shypitka on the Davidson Deposit?

Thanks,

Scott Andrews

Ministerial Assistant
Ministry of Energy, Mines, and Petroleum Resources
(250) 896-4532 cell
(250) 387-4471 office

From: Duncan, Kate EMPR:EX

Sent: Monday, November 19, 2018 10:35 AM

To: Robb, Peter L. EMPR:EX; Amann-Blake, Nathaniel EMPR:EX; Andrews, Scott EMPR:EX

Cc: Cochrane, Marlene EMPR:EX

Subject: FW: Davidson Deposit briefing request

Hello all,

We just received the email below from Mr. Shypitka, can you update me if there was any response to him after the thumb drive was sent. Also can we take care of this as quickly as possible?

Thanks

Kate Duncan

Administrative Coordinator to the Honourable Michelle Mungall
Minister of Energy Mines and Petroleum Resources
T: 250-387-2201
E: kate.duncan@gov.bc.ca

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From: Shypitka, Tom <s.17

Sent: November 19, 2018 10:26 AM

To: Mungall, Michelle EMPR:EX <Michelle.J.Mungall@gov.bc.ca>; Duncan, Kate EMPR:EX <Kate.Duncan@gov.bc.ca>

Cc: Mungall, Michelle <s.17>; Horgan, John <s.17>; Polak, Mary <s.17>; Sproule, Spencer LASS:EX <Spencer.Sproule@leg.bc.ca>; XT:Sultan, R LP:IN <s.17>; Wheeldon, Christy LASS:EX <Christy.Wheeldon@leg.bc.ca>; Smith, Heather LASS:EX <Heather.Smith@leg.bc.ca>; King, Wendy LASS:EX <Wendy.King@leg.bc.ca>

Subject: Davidson Deposit briefing request

Minister Mungall,

I am following up once again on a file I brought to your attention in estimates back in May of 2018. At that moment you and your staff assured me that you would make all efforts to look into it and report back. I have given you the courtesy of providing you with all the background information via a thumb drive that was hand delivered to your office last summer.

As we approach the end of the fall session, I have made it clear in previous emails that we need some clarification on this issue before the session ends. s.22

s.22

s.22 and all we are asking is clarification and the reinstatement of their mine extension to the original 21 years that would expire in 2040.

I urgently request a briefing with your staff to bring me up to speed to what is happening with this. Please contact me as soon as possible to meet.

Thank you

Tom Shypitka, MLA
Kootenay East
Critic – Energy and Mines

P.S. Here is some background information

1. On October 11, 2017 the Chief Gold Commissioner had manually altered the electronic MTO Registry request filed in November 14, 2013 for a 21 year extension that had appeared to have been accepted, to 6 years which negatively affects the advanced stage Davidson Deposit.
2. No criteria or explanations provided for the arbitrary decisions being made; furthermore, the Chief Gold Commissioner (as per the MTA) has the option of extending up to and not to exceed 30 years.
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6. The purge of the alteration of the electronic MTO in October 13, 2017 (TAME Amendment) has resulted in now missing details about historical events and actions on leases held by Mr. Davidson back to November 2013.

Please, advise when we can have a discussion with the proponent to resolve this extreme oversight.

Duncan, Kate EMPR:EX

From: Messmer, Mark J EMPR:EX
Sent: November 21, 2018 9:11 AM
To: Andrews, Scott EMPR:EX
Subject: Fwd: Davidson Deposit briefing request
Attachments: BN Nov 2018.docx; ATT00001.htm

Begin forwarded message:

From: "Messmer, Mark J EMPR:EX" <Mark.Messmer@gov.bc.ca>
Date: November 19, 2018 at 2:32:56 PM PST
To: "Robb, Peter L. EMPR:EX" <Peter.Robb@gov.bc.ca>, "Amann-Blake, Nathaniel EMPR:EX" <Nathaniel.Amann-Blake@gov.bc.ca>
Cc: "Rollo, Andrew EMPR:EX" <Andrew.Rollo@gov.bc.ca>, "Chace, Julie EMPR:EX" <Julie.Chace@gov.bc.ca>, "Hunt, Melanie EMPR:EX" <Melanie.Hunt@gov.bc.ca>
Subject: RE: Davidson Deposit briefing request

Attached is a draft BNI. Let me know if you would prefer a letter reply, or something else by way of a response.

From: Robb, Peter L. EMPR:EX
Sent: Monday, November 19, 2018 1:06 PM
To: Amann-Blake, Nathaniel EMPR:EX
Cc: Rollo, Andrew EMPR:EX; Chace, Julie EMPR:EX; Hunt, Melanie EMPR:EX; Messmer, Mark J EMPR:EX
Subject: Re: Davidson Deposit briefing request

This was a mark issue if I recall and he provided information...

On Nov 19, 2018, at 11:13 AM, Amann-Blake, Nathaniel EMPR:EX <Nathaniel.Amann-Blake@gov.bc.ca> wrote:

Hi Andrew, Julie, I think I recall we talked about this one a while back.

Sent from my iPhone

Begin forwarded message:

From: "Duncan, Kate EMPR:EX" <Kate.Duncan@gov.bc.ca>
Date: November 19, 2018 at 10:34:56 AM PST
To: "Robb, Peter L. EMPR:EX" <Peter.Robb@gov.bc.ca>, "Amann-Blake, Nathaniel EMPR:EX" <Nathaniel.Amann-Blake@gov.bc.ca>, "Andrews, Scott EMPR:EX" <Scott.Andrews@gov.bc.ca>
Cc: "Cochrane, Marlene EMPR:EX" <Marlene.Cochrane@gov.bc.ca>
Subject: FW: Davidson Deposit briefing request

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Kate Duncan

Administrative Coordinator to the Honourable Michelle Mungall
Minister of Energy Mines and Petroleum Resources
T: 250-387-2201
E: kate.duncan@gov.bc.ca

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Duncan, Kate EMPR:EX <Kate.Duncan@gov.bc.ca>
Cc: Mungall, Michelle <s.17 ; Horgan, John
s.17 ; Polak, Mary <s.17 ; Sproule,
Spencer LASS:EX <Spencer.Sproule@leg.bc.ca>; XT:Sultan, R LP:IN
<s.17 ; Wheeldon, Christy LASS:EX
<Christy.Wheeldon@leg.bc.ca>; Smith, Heather LASS:EX
<Heather.Smith@leg.bc.ca>; King, Wendy LASS:EX
<Wendy.King@leg.bc.ca>
Subject: Davidson Deposit briefing request

Minister Mungall,

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I urgently request a briefing with your staff to bring me up to speed to what is happening with this. Please contact me as soon as possible to meet.

Thank you

Tom Shypitka, MLA
Kootenay East
Critic – Energy and Mines

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Please, advise when we can have a discussion with the proponent to resolve this extreme oversight.

MINISTRY OF ENERGY, MINES AND PETROLEUM RESOURCES

BRIEFING NOTE FOR INFORMATION

I PREPARED FOR:

II ISSUE: Response to MLA Tom Shypitka's inquiry regarding Mr. Donald Davidson's mining lease term renewal applications and the decision of the Chief Gold Commissioner.

III BACKGROUND:

Mr. Donald Davidson applied in 2013 and 2015 to renew the terms of 6 mining leases for which he is the recorded holder. At the time of his applications, mining lease 243455 had a term expiry date of June 27, 2023 and mining leases 243475, 243476, 243477, 243478 and 243479 had term expiry dates of January 10, 2019.

The Chief Gold Commissioner, pursuant to his authority under s.42(5) of the *Mineral Tenure Act* (the Act), decided to renew the terms of mining leases 243455, 243475, 243476, 243477, 243478 and 243479 for terms of 6 years, to January 10, 2025. These new terms are less than what Mr. Davidson had applied for. Mr. Davidson had applied for the maximum renewal term for a mining lease which is 30 years.

As part of a term renewal application under s.42(5) of the Act, the Chief Gold Commissioner must be satisfied that a mining lease is required for a mining activity. There is presently no mine plan or proposal that has been developed for a mine on the mining leases.

IV DISCUSSION:

An application to extend the term of a mining lease is registered online with Mineral Titles Online (MTO). When Mr. Davidson registered the applications MTO automatically and incorrectly indicated new lease term expiry dates, even though the applications had not yet been reviewed or adjudicated. When MTO went online in January of 2005, it was never designed with a proper registration form for lease term renewal applications.

Upon receiving a lease term renewal application, a letter is sent to the applicant, as was done with Mr. Davidson, that references section 42(5) of the *Mineral Tenure Act* indicating that a lease term renewal decision is subject to the Chief Gold Commissioner being satisfied that the lease is required for a mining activity. The letter also describes the application review process that includes consultation with First Nations.

In January of 2016, a telephone conversation between Mineral Titles staff, and Mr. Davidson, Mr. Davidson expressed surprise to see that MTO was already showing the

new term expiry dates. Mineral Titles staff explained that no decisions had been made on the term renewal applications, and that MTO was displaying the term lengths that he had applied for.

Mr. Davidson was again made aware of this by Mineral Titles staff in subsequent telephone conversations. It was explained that the term expiry date shown in MTO was not correct and that an MTO upgrade was being planned to correct this.

If the Chief Gold Commissioner decides to renew the term of a mining lease, a Title Amendment Event (TAME) is registered in MTO to amend the registry with the approved lease term. In the case of mining leases 243475, 243476, 243477, 243478 and 243479, TAME #5669223 was registered to amend the applied term of 2040, to the approved term expiry year of 2025. This was explained in detail to Mr. Davidson at the time this amendment event was registered.

Mr. Davidson is not satisfied that the leases were renewed for a shorter period of time than what he had applied for. Mr. Davidson's was informed that he has a right to appeal the decision of the Chief Gold Commissioner to the BC Supreme Court.

A copy of the Chief Gold Commissioner's reasons for decision was provided to Mr. Davidson.

V CONCLUSION:

MTO has since been upgraded to display the correct lease term expiry date, and not the lease term renewal application date. The lease term expiry date is now only amended after a decision is made to renew the lease term.

No records were ever "purged" from MTO, as has been alleged. Section 6.36 of the Mineral Tenure Act allows the Chief Gold Commissioner to delete or amend an entry in the registry if the registry does not comply with the Act or regulations.

MTO Event number 5669223 that is registered on mining leases 243475, 243476, 243477, 243478 and 243479 shows lease term renewal applications were for a term expiry date of January 10, 2040 and the new lease term expiry dates of January 10, 2025, as a result of the decision to grant the 6 year lease term renewals.

DRAFTED BY:

APPROVED BY:

Mark Messmer
Executive Director, Mineral
Titles Branch
604-660-2814

Duncan, Kate EMPR:EX

From: Andrews, Scott EMPR:EX
Sent: March 8, 2019 3:02 PM
To: Duncan, Kate EMPR:EX
Subject: FW: Summary of Conference Call on Davidson Deposit
Attachments: BN Nov 2018.docx

From: Andrews, Scott EMPR:EX
Sent: November 21, 2018 11:20 AM
To: Sanderson, Melissa EMPR:EX <Melissa.Sanderson@gov.bc.ca>
Subject: Summary of Conference Call on Davidson Deposit

Hi Melissa,

Mark Messmer, Chief Gold Commissioner and Executive Director of the Mineral Titles Unit, Member Tom Shypitka, Member John Rustad and the proponents: Donald Davidson and Patricia Davidson had a conference call this morning.

Donald and Patricia Davidson disputed the tenure granted by Mr. Messmer, the statutory decision maker for mining leases. Mr. Messmer agreed to provide his written decision and advised the proponent that they are free to re-apply for renewal at any time, though recommended they do in the final year of the current tenure (2025).

A briefing note provided by Mr. Messmer is attached with further details.

Best regards,

Scott Andrews
Ministerial Assistant
Ministry of Energy, Mines, and Petroleum Resources
(250) 896-4532 cell
(250) 387-4471 office

MINISTRY OF ENERGY, MINES AND PETROLEUM RESOURCES

BRIEFING NOTE FOR INFORMATION

I PREPARED FOR:

II ISSUE: Response to MLA Tom Shypitka's inquiry regarding Mr. Donald Davidson's mining lease term renewal applications and the decision of the Chief Gold Commissioner.

III BACKGROUND:

Mr. Donald Davidson applied in 2013 and 2015 to renew the terms of 6 mining leases for which he is the recorded holder. At the time of his applications, mining lease 243455 had a term expiry date of June 27, 2023 and mining leases 243475, 243476, 243477, 243478 and 243479 had term expiry dates of January 10, 2019.

The Chief Gold Commissioner, pursuant to his authority under s.42(5) of the *Mineral Tenure Act* (the Act), decided to renew the terms of mining leases 243455, 243475, 243476, 243477, 243478 and 243479 for terms of 6 years, to January 10, 2025. These new terms are less than what Mr. Davidson had applied for. Mr. Davidson had applied for the maximum renewal term for a mining lease which is 30 years.

As part of a term renewal application under s.42(5) of the Act, the Chief Gold Commissioner must be satisfied that a mining lease is required for a mining activity. There is presently no mine plan or proposal that has been developed for a mine on the mining leases.

IV DISCUSSION:

An application to extend the term of a mining lease is registered online with Mineral Titles Online (MTO). When Mr. Davidson registered the applications MTO automatically and incorrectly indicated new lease term expiry dates, even though the applications had not yet been reviewed or adjudicated. When MTO went online in January of 2005, it was never designed with a proper registration form for lease term renewal applications.

Upon receiving a lease term renewal application, a letter is sent to the applicant, as was done with Mr. Davidson, that references section 42(5) of the *Mineral Tenure Act* indicating that a lease term renewal decision is subject to the Chief Gold Commissioner being satisfied that the lease is required for a mining activity. The letter also describes the application review process that includes consultation with First Nations.

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new term expiry dates. Mineral Titles staff explained that no decisions had been made on the term renewal applications, and that MTO was displaying the term lengths that he had applied for.

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DRAFTED BY:

APPROVED BY:

Mark Messmer
Executive Director, Mineral
Titles Branch
604-660-2814

Cochrane, Marlene EMPR:EX

From: Duncan, Kate EMPR:EX
Sent: Wednesday, November 21, 2018 3:30 PM
To: Cochrane, Marlene EMPR:EX
Subject: RE: Davidson Deposit briefing request

He did and it is done for now

Kate Duncan
Administrative Coordinator to the Honourable Michelle Mungall
Minister of Energy Mines and Petroleum Resources
T: 250-387-2201
E: kate.duncan@gov.bc.ca

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From: Cochrane, Marlene EMPR:EX
Sent: November 21, 2018 3:26 PM
To: Duncan, Kate EMPR:EX <Kate.Duncan@gov.bc.ca>
Subject: Davidson Deposit briefing request

Hi Kate. I understand Peter talked to Scott directly. Thank you.

Marlene Cochrane
Executive Coordinator | Deputy Minister's Office
Ministry of Energy, Mines and Petroleum Resources
Victoria | British Columbia
Phone (778) 698 7254

From: Duncan, Kate EMPR:EX
Sent: Monday, November 19, 2018 10:35 AM
To: Robb, Peter L. EMPR:EX; Amann-Blake, Nathaniel EMPR:EX; Andrews, Scott EMPR:EX
Cc: Cochrane, Marlene EMPR:EX
Subject: FW: Davidson Deposit briefing request

Hello all,

We just received the email below from Mr. Shypitka, can you update me if there was any response to him after the thumb drive was sent. Also can we take care of this as quickly as possible?

Thanks

Kate Duncan

Administrative Coordinator to the Honourable Michelle Mungall
Minister of Energy Mines and Petroleum Resources
T: 250-387-2201
E: kate.duncan@gov.bc.ca

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From: Shypitka, Tom .s.17
Sent: November 19, 2018 10:26 AM
To: Mungall, Michelle EMPR:EX <Michelle.J.Mungall@gov.bc.ca>; Duncan, Kate EMPR:EX <Kate.Duncan@gov.bc.ca>
Cc: Mungall, Michelle <.s.17>; Horgan, John .s.17 Polak, Mary .s.17
Sproule, Spencer LASS:EX <Spencer.Sproule@leg.bc.ca>; XT:Sultan, R LP:IN .s.17; Wheeldon, Christy
LASS:EX <Christy.Wheeldon@leg.bc.ca>; Smith, Heather LASS:EX <Heather.Smith@leg.bc.ca>; King, Wendy LASS:EX
<Wendy.King@leg.bc.ca>
Subject: Davidson Deposit briefing request

Minister Mungall,

I am following up once again on a file I brought to your attention in estimates back in May of 2018. At that moment you and your staff assured me that you would make all efforts to look into it and report back. I have given you the courtesy of providing you with all the background information via a thumb drive that was hand delivered to your office last summer.

As we approach the end of the fall session, I have made it clear in previous emails that we need some clarification on this issue before the session ends. s.22

s.22
s.22 and all we are asking is clarification and the reinstatement of their mine extension to the original 21 years that would expire in 2040.

I urgently request a briefing with your staff to bring me up to speed to what is happening with this. Please contact me as soon as possible to meet.

Thank you

Tom Shypitka, MLA
Kootenay East
Critic -- Energy and Mines

P.S. Here is some background information

1. On October 11, 2017 the Chief Gold Commissioner had manually altered the electronic MTO Registry request filed in November 14, 2013 for a 21 year extension that had appeared to have been accepted, to 6 years which negatively affects the advanced stage Davidson Deposit.
2. No criteria or explanations provided for the arbitrary decisions being made; furthermore, the Chief Gold Commissioner (as per the MTA) has the option of extending up to and not to exceed 30 years.
3. Extension duration that Chief Gold Commissioner has allowed (6 years) is grossly insufficient to provide investment certainty and acceptable assumption of risk on Davidson Deposit which is an advanced stage mining project.
4. There is an inability to gain term extensions on mining leases that match past historical extension durations. These ranged from 20 – 30 years.
5. Davidson Deposit was optioned in April 2016 when the electronic MTO indicated 2040 term expiry date. The “new”, grossly reduced date of 2025 may impact option agreement and most certainly will impact any further investment decisions.
6. The purge of the alteration of the electronic MTO in October 13, 2017 (TAME Amendment) has resulted in now missing details about historical events and actions on leases held by Mr. Davidson back to November 2013.

Please, advise when we can have a discussion with the proponent to resolve this extreme oversight.

Duncan, Kate EMPR:EX

From: Messmer, Mark J EMPR:EX
Sent: November 24, 2018 3:26 PM
To: s.17
Cc: Duncan, Kate EMPR:EX; Andrews, Scott EMPR:EX; Robb, Peter L. EMPR:EX; Harvey, James AG:EX; King, Wendy LASS:EX
Subject: RE: Davidson Deposit briefing request and mining leases 243455, 243475, 243476, 243477, 243478, and 243479
Attachments: CGC RFD 13880-02-282 Sept 20 2017.pdf

Dear Mr. Shypitka:

Attached is a copy of my reasons for decision with respect to the renewal of the terms of mining leases 243455, 243475, 243476, 243477, 243478, and 243479.

All further correspondence or submissions that you or Mr. Davidson may wish to make regarding this decision should be in writing and sent to the attention of Mr. James Harvey, Assistant Deputy Attorney General, Legal Services Branch, who I have copied on this reply.

Sincerely,

Mark Messmer
Chief Gold Commissioner
Ministry of Energy, Mines and Petroleum Resources
300 – 865 Hornby Street
Vancouver BC V6Z 2G3
Ph. 604-660-2814

From: Duncan, Kate EMPR:EX
Sent: Wednesday, November 21, 2018 9:34 AM
To: Andrews, Scott EMPR:EX; Messmer, Mark J EMPR:EX
Subject: FW: Davidson Deposit briefing request

Hello,

Please see below in regards to participants.

Thanks

Kate Duncan
Administrative Coordinator to the Honourable Michelle Mungall
Minister of Energy Mines and Petroleum Resources
T: 250-387-2201
E: kate.duncan@gov.bc.ca

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From: King, Wendy <Wendy.King@leg.bc.ca>
Sent: November 21, 2018 9:31 AM
To: Duncan, Kate EMPR:EX <Kate.Duncan@gov.bc.ca>
Subject: RE: Davidson Deposit briefing request

Hi Kate,

Attendees: MLAs Shypitka and Rustad, Dylan Kelso, Trish Jacques and Don Davidson will also call in. Thank you again for your assistant in pulling this together so quickly.

Wendy

From: Duncan, Kate EMPR:EX [<mailto:Kate.Duncan@gov.bc.ca>]
Sent: Wednesday, November 21, 2018 9:17 AM
To: King, Wendy <Wendy.King@leg.bc.ca>
Subject: RE: Davidson Deposit briefing request

Good Morning Wendy,

We are fine with the daughter calling in as well.

From our side it will be Mark Messmer from the Ministry and Scott Andrews are MA. If you could please confirm who will be participating from your side, I would greatly appreciate it.

Thanks

Kate Duncan

Administrative Coordinator to the Honourable Michelle Mungall
Minister of Energy Mines and Petroleum Resources
T: 250-387-2201
E: kate.duncan@gov.bc.ca

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From: King, Wendy <Wendy.King@leg.bc.ca>
Sent: November 20, 2018 4:46 PM
To: Duncan, Kate EMPR:EX <Kate.Duncan@gov.bc.ca>
Subject: RE: Davidson Deposit briefing request

Hi Kate,

Here is the number to call into:

- 1-877-353-9184
- 604-681-0260
- Participant conference ID – s.15

Please advise if anyone else will be in the call from your end. Thanks.

Wendy

From: Duncan, Kate EMPR:EX [<mailto:Kate.Duncan@gov.bc.ca>]

Sent: Tuesday, November 20, 2018 4:28 PM

To: King, Wendy <Wendy.King@leg.bc.ca>

Subject: RE: Davidson Deposit briefing request

Hi Wendy,

At this point I can not confirm if the daughter can attend the call or not but I believe it would be safe to set up a conference call line. I will know for sure in the morning.

Sorry!

Kate Duncan

Administrative Coordinator to the Honourable Michelle Mungall

Minister of Energy Mines and Petroleum Resources

T: 250-387-2201

E: kate.duncan@gov.bc.ca

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From: King, Wendy <Wendy.King@leg.bc.ca>

Sent: November 20, 2018 4:17 PM

To: Duncan, Kate EMPR:EX <Kate.Duncan@gov.bc.ca>

Subject: RE: Davidson Deposit briefing request

Hi Kate,

Can you give me a quick call, just left a message just a quick question. Thanks.

Wendy

From: Duncan, Kate EMPR:EX [<mailto:Kate.Duncan@gov.bc.ca>]
Sent: Tuesday, November 20, 2018 4:07 PM
To: King, Wendy <Wendy.King@leg.bc.ca>
Cc: Shypitka, Tom <s.17>; Andrews, Scott EMPR:EX <Scott.Andrews@gov.bc.ca>; Smith, Heather <Heather.Smith@leg.bc.ca>; Sproule, Spencer <Spencer.Sproule@leg.bc.ca>
Subject: RE: Davidson Deposit briefing request

Hi Wendy,

Mark Messmer with our Mineral Resources Division will be doing the briefing but unfortunately he is on the road and will have to do the briefing over the phone. Is there a best number he can call?

Let me know

Thanks

Kate Duncan

Administrative Coordinator to the Honourable Michelle Mungall
Minister of Energy Mines and Petroleum Resources
T: 250-387-2201
E: kate.duncan@gov.bc.ca

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From: King, Wendy <Wendy.King@leg.bc.ca>
Sent: November 20, 2018 3:57 PM
To: Duncan, Kate EMPR:EX <Kate.Duncan@gov.bc.ca>
Cc: Shypitka, Tom <s.17>; Andrews, Scott EMPR:EX <Scott.Andrews@gov.bc.ca>; Smith, Heather LASS:EX <Heather.Smith@leg.bc.ca>; Sproule, Spencer LASS:EX <Spencer.Sproule@leg.bc.ca>
Subject: RE: Davidson Deposit briefing request

Hi Kate,

Thank you for your prompt response. We will make that work. Please let me know where the meeting will be held and who will be there. I will send a list as well shortly.

Wendy

From: Duncan, Kate EMPR:EX [<mailto:Kate.Duncan@gov.bc.ca>]
Sent: Tuesday, November 20, 2018 3:51 PM
To: King, Wendy <Wendy.King@leg.bc.ca>
Cc: Shypitka, Tom <s.17>; Andrews, Scott EMPR:EX <Scott.Andrews@gov.bc.ca>; Smith, Heather

<Heather.Smith@leg.bc.ca>; Sproule, Spencer <Spencer.Sproule@leg.bc.ca>

Subject: RE: Davidson Deposit briefing request

Hello Wendy,

We have been working on this here and I am able to aide in setting up this briefing.

Does MLA Shypitka have time tomorrow to be briefed? We have a Ministry staff member available after 10:30 tomorrow if this might work.

Please let me know

Thanks

Kate Duncan

Administrative Coordinator to the Honourable Michelle Mungall

Minister of Energy Mines and Petroleum Resources

T: 250-387-2201

E: kate.duncan@gov.bc.ca

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From: King, Wendy <Wendy.King@leg.bc.ca>

Sent: November 20, 2018 3:45 PM

To: Duncan, Kate EMPR:EX <Kate.Duncan@gov.bc.ca>

Cc: Shypitka, Tom ·s.17 ; Andrews, Scott EMPR:EX <Scott.Andrews@gov.bc.ca>; Smith, Heather LASS:EX <Heather.Smith@leg.bc.ca>; Sproule, Spencer LASS:EX <Spencer.Sproule@leg.bc.ca>

Subject: FW: Davidson Deposit briefing request

Hi Kate,

Tom would really like a briefing on this matter this week. Can you help facilitate that? This been ongoing since estimates in May, and ·s.22

Any help would be appreciated.

Wendy



Wendy King

Legislative Assistant

BC Liberal Caucus

T: (250) 387-8396

E:mail: wendy.king@leg.bc.ca

From: Shypitka, Tom

Sent: Monday, November 19, 2018 10:26 AM

To: Mungall, Michelle I EMPR:EX <Michelle.J.Mungall@gov.bc.ca>; Duncan, Kate EMPR:EX <Kate.Duncan@gov.bc.ca>

Cc: Mungall, Michelle <s.17>; Horgan, John <s.17>; Polak, Mary <s.17>;

Sproule, Spencer <Spencer.Sproule@leg.bc.ca>; Sultan, Ralph <s.17>; Wheeldon, Christy

<Christy.Wheeldon@leg.bc.ca>; Smith, Heather <Heather.Smith@leg.bc.ca>; King, Wendy <Wendy.King@leg.bc.ca>

Subject: Davidson Deposit briefing request

Minister Mungall,

I am following up once again on a file I brought to your attention in estimates back in May of 2018. At that moment you and your staff assured me that you would make all efforts to look into it and report back. I have given you the courtesy of providing you with all the background information via a thumb drive that was hand delivered to your office last summer.

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s.22
s.22 and all we are asking is clarification and the reinstatement of their mine extension to the original 21 years that would expire in 2040.

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Thank you

Tom Shypitka, MLA
Kootenay East
Critic – Energy and Mines

P.S. Here is some background information

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Please, advise when we can have a discussion with the proponent to resolve this extreme oversight.

**In the matter of the
MINERAL TENURE ACT
R.S.B.C. 1996, c.292**

and

**In the matter of
Mining Lease Term Extension Applications**

**Donald Davidson
FMC Number 106196**

Event Numbers 5557153, 5477144, 5477145, 5477147, 5477149 and 5477152

File Numbers 13880-02-282 and 302 - 306

September 20, 2017

Reasons for the Chief Gold Commissioner's Decision

Section 4(6) of the *Mineral Tenure Act* delegates to the Chief Gold Commissioner the authority under section 42(5) of the *Mineral Tenure Act* to extend the term of existing mining leases. Donald Davidson has applied to renew the terms of the 6 mining leases noted above.

I. Nature and Scope of the Decision

The decision to renew the term of a mining lease is made under section 42(5) of the *Mineral Tenure Act*, R.S.B.C. 1996, c. 292 (the Act).

If the term of a mining lease expires, the lease no longer exists and the right to minerals and the interest in land cease to exist. A mining lease does not revert to a mineral claim. Mining leases are created by a conversion of an existing mineral claim which is extinguished when the lease is created. Once an area has been converted from a mineral claim to a mining lease, the only way the recorded holder can maintain the right to minerals is to apply for a renewal to the term of the lease before the lease term expires. Once a mining lease expires, any free miner may acquire a mineral claim over the former lease area once it is made available for acquisition in the Mineral Titles registry.

With respect to an existing mining lease, if the lessee complies with the Act and regulations and any conditions of the mining lease, the lessee is entitled to a renewal of the mining lease for one or more further terms not exceeding 30 years each, subject to the approval of the Chief Gold Commissioner that the leases are required for a mining activity.

Mr. Davidson applied to the Chief Gold Commissioner to have the terms of the mining leases extended under section 42(5) of the *Mineral Tenure Act*, by registering the application in Mineral Titles Online and providing information pertaining to the work activity performed on the leases

The Province has a duty to consult and, if appropriate, accommodate First Nations with respect to decisions that could impact asserted or established Aboriginal or treaty rights and title. The mining lease application is located within the consultation area of the Wet'suwet'en First Nation.

I have considered relevant information, including information received from local governments, and Provincial agencies, and the content and adequacy of consultation with the Office of the Wet'suwet'en.

a) Description of the Application Area

The application area is located on the northeast face of Hudson Bay Mountain, and within 10 km inland from the western shore of Kathlyn Lake.

The application area is comprised of:

- 6 mining leases encompassing approximately 1,632 ha. Mining leases 243455 and 243475-243479 were issued between 1962 and 1968 and have current "good to" dates of June 27, 2018 and January 10, 2018, respectively.
- The leases were acquired by Mr. Davidson briefly in the mid 1990's and then again from January 24, 2000 onward.

On June 8, 2015, Mr. Davidson applied to extend the term of mining lease 243455 from June 27, 2023 for a further 17 years. On November 14, 2013, Mr. Davidson applied to extend the terms of mining leases 243475 – 243479 from January 10, 2019 for a further 21 years.

II. Referrals to Agencies

Referrals on these applications were distributed from FrontCounter BC through the automated referral (E-referral) system. FrontCounter BC maintains current contacts for the provincial agencies and local government for E-referrals. The referrals were sent to the Ministry of Forests, Lands and Natural Resource Operations (FLNRO) and Ministry of Transportation and Infrastructure (MoTI), as well as the Regional District of Bulkley-Nechako.

Responses to the E-referral received by FLNRO and the Regional District of Bulkley-Nechako were of a nature that could be impacted by exploration and/or production work. Specifically that the awareness of recreation sites and trails be made to the owner for safety purposes, and that the area includes unique mountain goat habitat.

MoTI responded that they have no objections to the proposal and that any access to Glacier Gulch Road be permitted.

The referral process also included discussion with the Health and Safety and Permitting Branch of the Ministry of Energy and Mines. The District Inspector has no concerns regarding the proposed lease extensions. It was noted that road deactivation and portal closure occurred in 2015 and that final gating of the access road was to follow.

III. First Nations Consultation

The Province has a duty to consult and, if appropriate, accommodate First Nations with respect to decisions that could impact asserted or established Aboriginal or treaty rights and title. The content of the duty to consult varies with the circumstances. The future potential impacts of a decision will not be within the scope of consultation where the decision does not limit the ability of the Crown to respond appropriately in the future and does not authorize the activities from which future impacts are said to potentially flow.

FLNRO is responsible for leading provincial First Nation consultation efforts on behalf of the Ministry of Energy and Mines. For this mining lease application, FLNRO consulted with the Office of the Wet'suwet'en.

Consultation with the Office of the Wet'suwet'en was initiated at the "normal" level of engagement. A "normal" level of engagement is the notification of an application and the invitation for input on how the proposal may impact any aboriginal interests in the area.

On October 31, 2016, the Office of the Wet'suwet'en indicated that they had initiated contact with a company that the lease holder has optioned the rights to and was expecting to meet in the

near future. FLNRO did not receive any further information or requests from the Office of the Wet'suwet'en as of that date.

IV. Consideration and Comments

I have reviewed the province's consultation record for these mining lease term extension applications, as well as comments received through the agency and local government referrals and the First Nation consultation process. While the Chief Gold Commissioner is the statutory decision maker for a mining lease application under the Act, any proposed mining activity or reclamation would be addressed through different legislation and would therefore have a different statutory decision maker. A mining lease conveys the exclusive right to all minerals on the lease area to the recorded holder and does not authorize any mining activity.

The comments received from FLNRO, MoTI and the Regional District of Bulkley-Nechako would be appropriately considered as part of an application and review of a *Mines Act* permit authorization proposed for the lease area upon the Health and Safety and Permitting Branch receiving such an application.

V. Conclusion

Donald Davidson has applied to have the term extended for mining lease 243455 for a further term of seventeen (17) years and the terms extended for mining leases 243475, 243476, 243477, 243478 and 243479 for further terms of twenty (21) years each.

I am satisfied that the consultation process has been reasonable and appropriate. With respect to any future proposed mining activity on the application area, there will be further opportunities to engage in consultation and, if appropriate, provide accommodation. Those opportunities to engage will have the benefit of the consultation record created to date; however, they will also require assessment of new information as it becomes available, and new assessment of the level of potential impacts to Aboriginal rights and other interests, in the context of comprehensive legislative requirements, regulations and policies.

I have carefully considered all the relevant facts and submissions, even if they are not specifically identified in this document, and I am of the view that a decision to issue the requested extensions of mining leases 243455, 243475, 243476, 243477, 243478 and 243479 will not significantly impact the Aboriginal rights and interests of the Wet'suwet'en First Nation.

For these reasons, I am satisfied that it is reasonable to extend mining lease 243455 for a further term of 1 year and 197 days and to extend mining leases 243475, 243476, 243477, 243478 and 243479 for further terms of 6 years each. There is a great deal of history on these leases but I am not aware of any concrete plans for future workings. The decision to extend the mining leases for these amounts of time will result in new term expiry dates of January 10, 2025, and will also allow for securing capital for the purposes of permitting, pre-production underground

development and start-up costs until such time that a future developer will have a mine plan in place.



Mark Messmer
Chief Gold Commissioner

Dated at Vancouver, British Columbia
this 21st day of September, 2017.