

*Explore the Potential
of
Inuit Owned Lands*



NUNAVUT TUNNGAVIK INCORPORATED

INUIT OWNED LANDS HAVE GREAT POTENTIAL

Almost all of Nunavut's advanced mineral exploration projects are located entirely or partly on Inuit Owned Lands.

These lands have potential for many minerals and metals including

Gold Diamonds Platinum Lead Zinc Copper

This booklet will tell you how you can work on these lands.

Great Geology. Great Potential.

NUNAVUT LAND CLAIMS AGREEMENT

The 1993 Nunavut Land Claims Agreement between the Inuit of Nunavut and the Government of Canada settled all claims to land within Canada's eastern Arctic, an area comprising one-fifth of Canada.

It gave Inuit many new rights and responsibilities, including:

- the granting of title to 19% of the land in Nunavut, including the granting of mineral rights to 2% of Nunavut
- a role in the management of natural resources through representation on the five co-management bodies
- a share of resource royalties
- participation in the benefits of development projects on Inuit Owned Lands through Inuit Impact and Benefit Agreements

The Nunavut Land Claims Agreement has thus provided certainty as to land ownership and regulatory process for exploration and development projects in Nunavut, a situation that does not exist in many other parts of Canada.

Enjoy the Security of A Settled Land Claim.

NUNAVUT TUNNGAVIK INCORPORATED

Nunavut Tunngavik Incorporated (NTI) is the Inuit corporation responsible for implementing the Nunavut Land Claims Agreement. NTI's mandate includes safeguarding, administering and advancing the rights and benefits of the Inuit of Nunavut so as to promote their economic, social and cultural well-being through succeeding generations.

The Lands and Resources Department of NTI is responsible for the implementation of Inuit responsibilities related to the management of Inuit Owned Lands (IOL), the environment, mineral resources, oil and gas, wildlife and marine areas.

We Support Mining

NTI MINING POLICY

NTI's Mining Policy includes our commitment to support and promote the development of mineral resources in Nunavut provided there are significant benefits to Inuit and the integrity of the environment is protected. Our desire is to make Nunavut a model of all parties working together in a spirit of partnership and cooperation to build a mining industry of which we can all be proud.

Work with us to make it happen

LAND OWNERSHIP AND ADMINISTRATION IN NUNAVUT

The 1993 *Nunavut Land Claims Agreement* (the NLCA) gave Inuit title to 356,000 square kilometres of land. There are 944 parcels of IOL where Inuit hold surface title only ("surface IOL"); the Crown retains the mineral rights to these lands. Inuit hold fee simple title including surface and mineral rights to the remaining 144 IOL parcels ("subsurface IOL") which comprise 38,000 km², or approximately 2% of the total area of Nunavut.

These areas can be seen on the map *Inuit Owned Lands - Nunavut* which is available from Nunavut Tunngavik Incorporated (NTI) and is also available on our website www.polarnet.ca/ntiland.

The Regional Inuit Associations (RIAs) – Kitikmeot, Kivalliq and Qikitani – were designated as the Inuit Organizations in which surface title to Inuit Owned Lands in each representative region would vest. The RIAs administer access through the issuance of Land Use Licences and Surface Leases as well as other forms of authorization. Where subsurface title to Inuit Owned Lands is held by Inuit, it is vested in NTI. Inuit Owned Lands are held in trust by NTI and the RIAs on behalf and for the benefit of all Inuit.

For the purpose of gaining access to land to carry out mineral exploration and development in Nunavut, there are three different situations to consider:

(1) For the more than 80 percent of land in Nunavut in which both the minerals and the surface are held by the Crown, access remains as it was prior to the NLCA. Both the mineral rights and land use activities are administered by the Department of Indian Affairs and Northern Development (DIAND) in Yellowknife*. The acquisition of mineral rights is carried out under the terms of the Canada Mining Regulations.

*DIAND will have a Mining Recorder's Office in Iqaluit to administer operations in Nunavut. It is (as of November, 2000) unknown when this office will be in operation.

(2) For Surface IOLs in which mineral rights are held by the Crown, mineral rights continue to be administered by DIAND. Permission to enter these lands for the purpose of carrying out exploration, however, must be obtained from the appropriate Regional Inuit Association (RIA) before any work may be carried out.

(3) For Subsurface IOL for which there were no pre-existing rights held by third parties at the time the NLCA came into effect, mineral rights are administered by NTI, which provides for their disposition. There are two forms of tenure as described briefly below. Pre-existing mineral rights ("grandfathered") continue to be administered by DIAND until they terminate or the holder transfers his interests to the NTI regime.

INUIT OWNED LANDS

The aim of Inuit land management is to administer Inuit Owned Lands on behalf and for the benefit of all Inuit so as to promote the principles of self-reliance and the cultural and social well-being of Inuit. In order to benefit Inuit now and into the future, Inuit Owned Lands must be managed in such a way as to sustain and enhance the value of these lands.

In order to gain access to any IOL parcels for mineral exploration or development, the responsible RIA must be contacted. IOL parcels have an alphanumeric designation in the form of AA-99 (two letters followed by two digits).

The **Kitikmeot Inuit Association (KIA)** administers the rights to all IOL parcels in the Kitikmeot Region. These have the identifiers GH, PB, SB, BB, CB, and CO. The region extends from the western border of Nunavut to the Boothia Peninsula and includes Victoria Island and Prince William Island. The Land Administration office is in Kugluktuk.

The **Kivalliq Inuit Association (KIA)** administers the rights to all IOL parcels in the Keewatin, or Kivalliq, Region. These have the identifiers AR, BL, CH, CI, RE, RI, and WC. This includes the area south and east of the Kitikmeot to the southern border of Nunavut, and Southampton Island. The Land Administration Office is in Rankin Inlet.

The **Qikiqtani Inuit Association (QIA)** administers the rights to all IOL parcels in the Baffin Region Region. These have the identifiers BI, CD, IQ, LH, PA, AB, CR, GF, IG, PI, RB, and HB. QIA is responsible for the Belcher Islands in Hudson Bay, Baffin Island, the Melville Peninsula and the rest of the High Arctic. The office is in Iqaluit.

NTI is responsible for administering the Subsurface rights of all Subsurface IOLs in Nunavut. The Lands Department is in Cambridge Bay.

Explore the land of the future today

MINERAL TENURE ON SUBSURFACE IOL

To acquire a non-exclusive right to prospect or explore for minerals on Subsurface IOL, an individual or company need only apply to the RIA for a right of access. No mineral rights are associated with this access.

There are two forms of mineral tenure which grant exclusive rights on Subsurface IOL administered by NTI: the Inuit Owned Lands Mineral Exploration Agreement (“Exploration Agreement”) and the Inuit Owned Lands Mineral Production Lease (“Production Lease”).

The Exploration Agreement grants a company or individual the exclusive right to explore and prospect for minerals (excluding oil and gas, construction materials such as sand, and carving stone) on a specified section of IOL for which NTI owns the minerals.

The Production Lease grants the holder of an Exploration Agreement the right to produce minerals from a portion of the Exploration Area known as the Production Lease Area.

APPLICATION FOR EXPLORATION RIGHTS

To apply for exclusive exploration rights, the applicant must submit to NTI a completed application form (available from NTI or from our website at www.polarnet.ca/ntiland), *Application for an Inuit Owned Lands Mineral Exploration Agreement*, which includes a description of the proposed Exploration Area defined by latitude and longitude of the boundaries and a map (see Attachment) showing the proposed Exploration Area. Applications are received during the months of January, March, May, September and November and are processed at the start of the subsequent month, at which time NTI makes the decision on the acceptance or rejection of individual applications. Applications are kept confidential until the close of the application period in which it is received, thus ensuring that all applicants are treated fairly. Further details on the application process are included in the Application form.

Successful applicants, upon executing the new Exploration Agreement and submitting the first year's annual fees, will be granted the exclusive right to explore for minerals on the Exploration Area. In order to gain access to the land, however, the applicant must obtain a surface right issued by the RIA.

MAINTAINING YOUR EXPLORATION RIGHTS

The maximum period of an Exploration Agreement is 20 years and the maximum area that may be included in a single Agreement is 10,000 hectares. Annual fees for the Exploration Area begin at \$1.00 per hectare for the first year and rise to a maximum of \$4.00 per hectare in later years. Annual work requirements for Exploration Agreements begin at \$4.00 per hectare and rise over time. Details of the fees and work requirements are listed in Schedule B of the Exploration Agreement, a model of which may be obtained for review from NTI or downloaded from the website. Annual fees are due on or before the anniversary date of the Agreement and annual work reports within 90 days of the anniversary. The format of the work reports is essentially that which would be provided to the government for claims under the Canadian Mining Regulations and is described in Schedule "C" of the Exploration Agreement.

OBTAINING A MINERAL PRODUCTION LEASE

Upon fulfilling the requirements of an Exploration Agreement, the holder is entitled to a Production Lease, the terms of which are attached to the Exploration Agreement as Schedule "D".

The Production Lease grants the holder the right to produce minerals from the Production Lease Area. The lease is granted after the holder of an Exploration Agreement has delivered to NTI a prefeasibility study that demonstrates the existence of a mineral resource on the property and has met any other requirements defined under the terms of the Exploration Agreement. Annual fees for a Production Lease are \$100 per hectare with a minimum of \$10,000. There are no annual work requirements. The Lease has an initial term of 10 years that may be renewed for two additional 5 year terms. Upon

delivery of a feasibility study or start of production, the Lease will be renewed for a further 21 years with the possibility of additional renewals.

Minerals produced under the Mineral Production Lease are subject to a royalty of 12% of the net profits. Available deductions against revenue are capped at 85% of the gross revenue each year thus assuring a minimum annual royalty to NTI of 1.8% of the gross revenue.

Correspondence regarding the application process and Exploration Agreements should be directed to NTI's Administrative Geologist.

Apply Now

ADDITIONAL REQUIREMENTS

Only the RIAs may issue a surface right on IOL and the holding of subsurface rights does not grant automatic access to the land.

The applicant may be subject to additional requirements indicated by the co-management boards (also known as Institutions of Public Government) that are empowered to ensure the responsible use of the land. These boards (see Attachment) have jurisdiction over all of Nunavut, not merely IOL parcels, therefore operations on Crown land will also be subject to their review.

Applicable territorial, federal and regulatory bodies must also issue approval where required.

INUIT IMPACT AND BENEFIT AGREEMENTS

Article 26 of the NLCA provides that no major mining development project may commence on any IOL parcel until an Inuit Impact and Benefits Agreement (IIBA) has been finalized. Negotiation of the IIBA is the responsibility of the local RIA. The IIBA may address such matters as Inuit training and preferential hiring, business opportunities for Inuit, environmental and wildlife concerns.

ATTACHMENT: IOL Subsurface Parcels for which NTI may issue Mineral Rights

(excludes parcels currently closed to exploration)

AB-04	BI-16	CH-11	GF-41	RB-14
AB-05	BI-18	CO-03	GF-42	RB-18
AR-11	BI-30	CO-06	GF-54	RB-19
AR-12	BI-35	CO-08	GF-57	RB-20
AR-13	BL-09	CO-20	GF-59	RB-22
AR-16	BL-10	CO-25	GF-68	RB-35
AR-25	BL-11	CO-27	GH-11	RE-27
AR-28	BL-14	CO-28	GH-13	RE-29
AR-33	BL-21	CO-29	HB-02	RE-30
AR-34	BL-22	CO-30	HB-03	RI-01
AR-35	BL-32	CO-31	HB-09	RI-08
AR-36	BL-33	CO-40	HB-15	RI-12
BB-03	BL-39	CO-44	HB-16	RI-18
BB-07	BL-41	CO-46	IG-03	RI-22
BB-09	BL-42	CO-54	IG-05	RI-30
BB-13	BL-43	CO-59	IG-28	WC-02
BB-15	CB-57	CO-62	IQ-12	WC-04
BB-20	CD-05	CO-66	IQ-13	WC-06
BB-57	CD-07	CO-69	IQ-14	WC-08
BB-60	CD-12	CO-81	LH-05	WC-09
BI-02	CD-24	CR-26	PB-01	WC-12
BI-03	CD-25	CR-27	PB-03	
BI-04	CD-38	CR-28	PI-07	
BI-05	CD-40	GF-06	PI-17	
BI-06	CD-41	GF-12	PI-22	
BI-08	CD-46	GF-13	PI-34	
BI-14	CD-47	GF-16	RB-10	
BI-15	CD-50	GF-40	RB-11	

ATTACHMENT: CONTACT INFORMATION

**Department of Lands and Resources
Nunavut Tunngavik Incorporated
PO Box 76
Cambridge Bay, Nunavut, X0B 0C0
phone (867) 983-2517
fax (867) 983-2723
email: ntilands@polarnet.ca
Website: www.polarnet.ca/ntilands**

Enquiries regarding the Application process and Exploration Agreements should be addressed to the Administrative Geologist at the above address.

The Regional Inuit Associations

Kitikmeot Inuit Association
Lands Division
P.O. Box 315
Kugluktuk, Nunavut X0B 0E0
Phone: (867) 982-3310
Fax: (867) 982-3311

Qikiqtani Inuit Association
P.O. Box 219
Iqaluit, Nunavut X0A 0H0
Phone: (867) 979-5391
Toll Free: 1-800-667-2742
Fax: (867) 979-3238

Kivalliq Inuit Association
P.O. Box 340
Rankin Inlet, Nunavut X0C 0G0
Phone: (867) 645-2800
Fax: (867) 645-2348

The Co-Management Bodies

Nunavut Impact Review Board
P.O. Box 2264
Cambridge Bay, NU
Phone: (867) 983-2593
Fax: (867) 983-2594
www.polarnet.ca/nirb

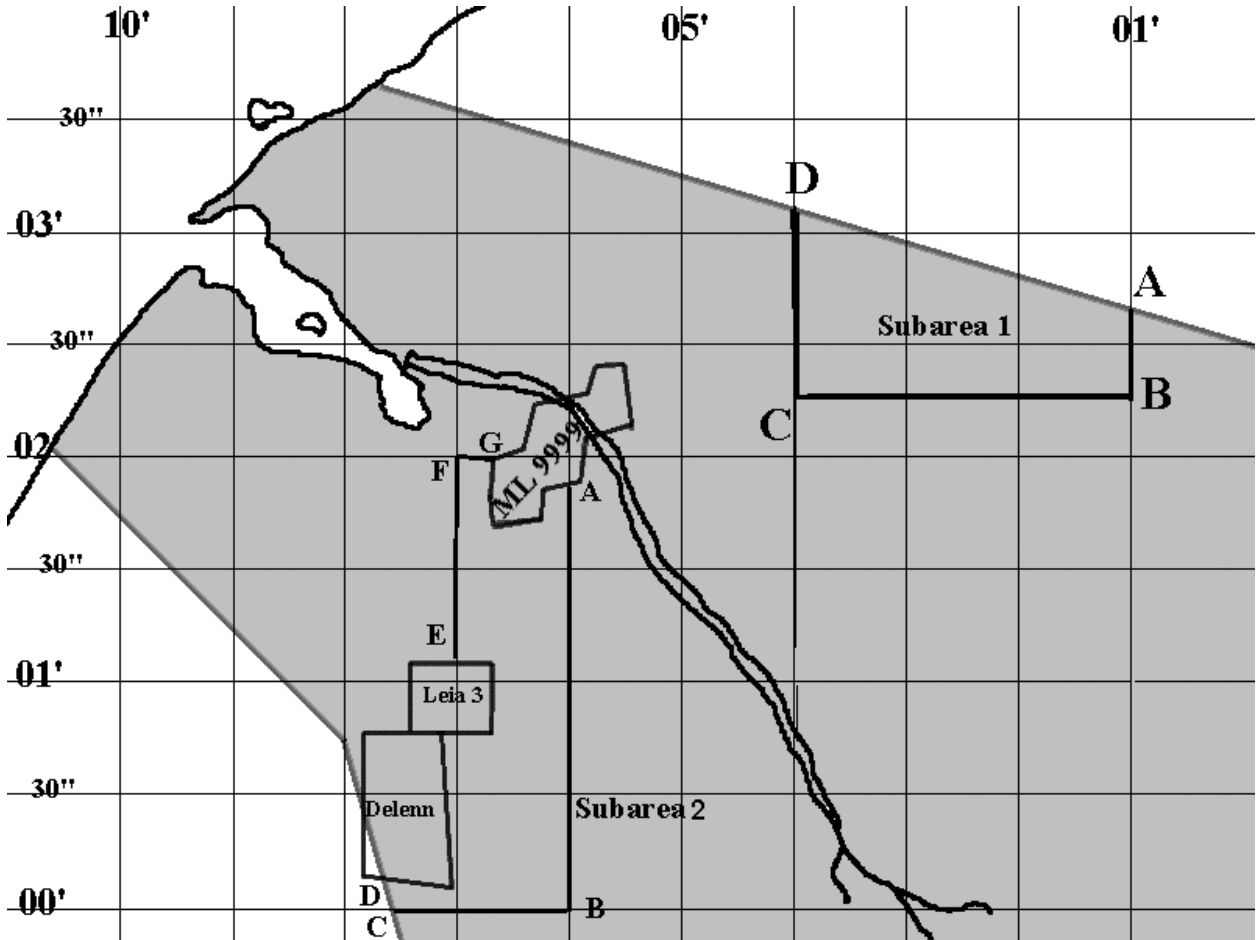
Nunavut Surface Rights Tribunal
Iqaluit, NU X0A 0H0
Phone (867) 979-1555
Fax (867) 979-1525
www.nunanet.com/~nsrt

Nunavut Planning Commission
PO Box 12
Taloyoak, NU X0B1B0
Phone (867) 561-6896
Fax: (867) 561-6897
www.npc.nunavut.ca

Nunavut Water Board
P.O. Box 119
Gjoa Haven, NU X0E 1J0
Phone: (867) 360-6338
Fax: (867) 360-6369
ipg.nunavut.ca/IPG/eng/NWB.html

Nunavut Wildlife Management Board
Box 1379
Iqaluit, Nunavut X0A 0H0
Phone (867) 979-6962
Fax (867) 979-7785
pooka.nunanet.com/~nwmb/

ATTACHMENT: Description of Exploration Area in Application



Please note: the map and description does not represent any real area, nor is it to scale. On an actual submission, the scale must be shown (for example, submitted on a 1:50,000 scale map). This is purely an example of how to describe the boundaries of an Exploration Area.

SUBAREA 1

- A Intersection of 100°01'00"W with IOL boundary near 66°02'45"N
 - B 66°02'15"N, 100°01'00"W
 - C 66°02'15"N, 100°04'00"W
 - D Intersection of 100°04'00"W with IOL boundary near 66°03'00"N
- Follow boundary of IOL from D to A

SUBAREA 2

- A Intersection of 100°06'00"W with ML 9999 near 66°02'00"N
 - B 66°00'00"N, 100°06'00"W
 - C Intersection of 66°00'00"N and IOL boundary near 100°07'30"W
- Follow IOL Boundary between C and D
- D Intersection of IOL Boundary and claim DELENN
- Follow eastern boundary of DELENN and claim LEIA 3 between D and E
- E Intersection of 100°07'00"W with Leia 3 near 66°01'00"N
 - F 66°02'00"N, 100°07'00"W
 - G Intersection of 66°02'00"N with ML 9999 near 100°06'30"W
- Follow southern boundary of ML 9999 between G and A