

## **YUKON MINING INCENTIVES PROGRAM GUIDEBOOK**

Revised January 2006

### **WHAT IS YMIP?**

The Yukon Mining Incentives Program (YMIP) is designed to promote and enhance mineral prospecting, exploration and development activities in the Yukon. The program's function is to provide a portion of the risk capital required to locate and explore mineral deposits. Applicants are invited to submit prospecting and exploration proposals. Only well conceived, technically sound applications will receive funding and applicants are encouraged to consult with their district geologist.

The Yukon Mining Incentives program contains four modules:

#### **Grassroots - Prospecting**

Qualified prospectors may apply for a contribution of up to \$10,000 per year to cover basic operating expenses while searching for new mineral occurrences in the Yukon. 100 per cent of approved expenses are reimbursed.

#### **Grassroots - Grubstake**

Companies or individuals providing prospectors with a grubstake (basic operating expenses while searching for new mineral discoveries in the Yukon) may apply for a contribution of up to \$10,000 per prospector, per year. 75 per cent of approved expenses are reimbursed.

#### **Focused - Regional**

Individuals, partnerships or junior companies undertaking basic exploration work directed at appraising the potential of an under explored area may apply for a contribution of up to \$15,000 per year. 75 per cent of approved expenses are reimbursed.

#### **Target Evaluation**

Individuals, partnerships or junior companies undertaking basic exploration work directed at appraising the potential of an unevaluated occurrence or target may apply for a contribution of up to \$20,000 per year. **The intent of this funding is to allow prospectors to evaluate new occurrences following discovery and to prepare them for option or sale.** 50 per cent of approved expenses are reimbursed.

### **HOW MUCH FUNDING CAN YOU RECEIVE?**

The maximum yearly contribution depends on the module. The Prospecting and Grubstake modules have a maximum of \$10,000, the Focused Regional module has a maximum of \$15,000 and the Target Evaluation module has a maximum of \$20,000.

Funding is limited to one application per module, per applicant during each fiscal year. It may be necessary to limit the number of contributions per person/company or within contiguous areas due to budget limitations.

If your Grassroots Prospecting application and work program are accepted, you may be eligible for an advance of up to \$2,500 or 25 per cent of your proposed budget. There are no advances on the Grassroots Grubstake, Focused Regional or Target Evaluation modules.

Financial assistance is not automatic. The Department of Energy, Mines and Resources reserves the right to refuse any request for assistance, in whole or in part.

**PLEASE READ THIS GUIDEBOOK CAREFULLY BEFORE COMPLETING THE APPLICATION FOR FUNDING AND PREPARING A PROSPECTING OR EXPLORATION PROPOSAL.**

## YMIP SUMMARY OF COMPONENTS

### GRASSROOTS PROSPECTING

(Application deadline is March 1<sup>st</sup>)

Eligible Activities/Expenses	Maximum Assistance	Payment
<ul style="list-style-type: none"> <li>- Conventional prospecting, geological, geochemical and geophysical surveys.</li> <li>- Sampling and analysis</li> <li>- Related Physical Work (limited)</li> <li>- Preparation of Summary Report</li> <li><b>Light Equipment Rental (&lt;5 t)</b></li> <li>- Owner operated equipment reimbursed at 25% of commercial rental rates.</li> <li>- Commercial rental rates reimbursed at 100% but not to exceed specified Yukon Government (YG) maximums.</li> <li><b>Living Expenses</b></li> <li>- \$35 per person, per day</li> <li><b>Travel</b> (current YG rate = \$0.48/km)</li> <li>- Daily trips of reasonable distance to the area of prospecting.</li> <li>- Two long-distance round trips to locale at or near the area of prospecting (per 30 days).</li> <li><b>Wages</b></li> <li>- For hired labor if required</li> </ul>	<ul style="list-style-type: none"> <li>- Reimbursement of 100% of approved expenses to a maximum contribution of \$10,000 per year.</li> <li>- Maximum of one contribution in each module per applicant per year.</li> </ul>	<p><b>Advance Payment</b></p> <ul style="list-style-type: none"> <li>- Maximum \$1,000 for first year applicants</li> <li>- Maximum \$2,500 for applicants who have successfully completed the program.</li> </ul> <p><b>Interim claims</b></p> <ul style="list-style-type: none"> <li>- Interim claims may be made every 30 days.</li> </ul> <p><b>Final payment</b></p> <ul style="list-style-type: none"> <li>- 25% of the funding will be withheld until an approved Final Submission Form and the Summary or Technical Report is received.</li> <li>- Final payment will be made following approval of the Final Submission Form and Summary or Technical Report.</li> <li>- Minimum 30-person days of prospecting is required for final contribution payment.</li> <li><b>The applicant is required to complete the majority of work of the program.</b></li> </ul> <p>- Report deadline is January 31 of the following year.</p>

### GRASSROOTS GRUBSTAKE

(Application deadline is March 1<sup>st</sup>)

Eligible Activities/Expenses	Maximum Assistance	Payment
<ul style="list-style-type: none"> <li>- Conventional prospecting, geological, geochemical and geophysical surveys.</li> <li>- Sampling and analysis</li> <li>- Related Physical Work (limited)</li> <li>- Preparation of Summary Report</li> <li><b>Light Equipment Rental (&lt; 5 t)</b></li> <li>- Owner operated equipment reimbursed at 25% of commercial rental rates.</li> <li>- Commercial rental rates reimbursed at 100% but not to exceed specified Yukon Government (YG) maximums.</li> <li><b>Living Expenses</b></li> <li>- \$35 per person, per day</li> <li><b>Travel</b> (current YG rate = \$0.48/km)</li> <li>- Daily trips of reasonable distance to the area of prospecting.</li> <li>- Two long-distance round trips to locale at or near the area of prospecting (per 30 days).</li> <li><b>Wages and workers compensation coverage</b></li> <li>- For hired labor if required</li> </ul>	<ul style="list-style-type: none"> <li>- Reimbursement of 75% of approved expenses to a maximum contribution of \$10,000 per year.</li> <li>- Maximum of one contribution in each module per applicant per year.</li> </ul>	<p><b>Interim claims</b></p> <ul style="list-style-type: none"> <li>- Interim claims may be made every 30 days.</li> </ul> <p><b>Final payment</b></p> <ul style="list-style-type: none"> <li>- 25% of the funding will be withheld until an approved Final Submission Form and the Summary or Technical Report is received.</li> <li>- Final payment will be made following approval of the Final Submission Form and Summary or Technical Report.</li> <li>- Minimum 30-person days of prospecting is required for final contribution payment.</li> <li><b>The applicant is required to complete the majority of work of the program.</b></li> </ul> <p>- Report deadline is January 31 of the following year.</p>

**FOCUSED REGIONAL**

(Application deadline is March 1<sup>st</sup>)

Eligible Activities/Expenses	Maximum Assistance	Payment
<ul style="list-style-type: none"> <li>- Conventional prospecting, geological, geochemical and geophysical surveys.</li> <li>- Sampling and analysis</li> <li>- Related Physical Work (limited)</li> <li>- Preparation of Summary Report</li> <li>- Wages and workers compensation coverage</li> </ul> <p><b>Light Equipment Rental (&lt; 5 t)</b></p> <ul style="list-style-type: none"> <li>- Owner operated equipment reimbursed at 25% of commercial rental rates.</li> <li>- Commercial rental rates reimbursed at 100% but not to exceed specified Yukon Government (YG) maximums.</li> </ul> <p><b>Living Expenses</b></p> <ul style="list-style-type: none"> <li>- \$35 per person, per day</li> </ul> <p><b>Travel</b> (current YG rate = \$0.48/km)</p> <ul style="list-style-type: none"> <li>- Daily trips of reasonable distance to the area of prospecting.</li> <li>- Two long-distance round trips to locale at or near the area of program (per 30 days).</li> </ul>	<ul style="list-style-type: none"> <li>- Reimbursement of 75% of approved expenses to a maximum contribution of \$15,000 per year.</li> <li>- Maximum of one contribution in each module per applicant per year.</li> </ul>	<p><b>Interim claims</b></p> <ul style="list-style-type: none"> <li>- Interim claims may be made every 30 days.</li> </ul> <p><b>Final payment</b></p> <ul style="list-style-type: none"> <li>- 25% of the funding will be withheld until an approved Final Submission Form and the Summary or Technical Report is received.</li> <li>- Final payment will be made following approval of the Final Submission Form and Summary or Technical Report.</li> <li>- There is no minimum time required for final contribution payment.</li> <li>- Report deadline is January 31 of the following year.</li> </ul>

**TARGET EVALUATION**

(Application deadline is March 1<sup>st</sup>)

Eligible Activities/Expenses	Maximum Assistance	Payment
<ul style="list-style-type: none"> <li>- Conventional prospecting, geological, geochemical and geophysical surveys.</li> <li>- Sampling and analysis</li> <li>- Related Physical Work (limited)</li> <li>- Trenching</li> <li>- Percussion, diamond and auger drilling</li> <li>- Mobilization/demobilization</li> <li>- Wages and workers compensation coverage</li> <li>- Preparation of Technical Report</li> </ul> <p><b>Equipment Rental</b></p> <ul style="list-style-type: none"> <li>- Owner operated equipment to be reimbursed at 25% of current commercial rental rates for light equipment (&lt; 5 t), 75% for heavy equipment (&gt; 5 t).</li> <li>- Commercial rental rates reimbursed at 100% but not to exceed specified YG maximums.</li> </ul> <p><b>Living Expense</b></p> <ul style="list-style-type: none"> <li>- \$35 per person, per day</li> </ul> <p><b>Travel</b> (current YG rate = \$0.48/km)</p> <ul style="list-style-type: none"> <li>- Daily trips of reasonable distance to the area of exploration.</li> <li>- Two long distance round trips to locale at or near the area of exploration (per 30 days)</li> </ul>	<ul style="list-style-type: none"> <li>- Reimbursement of 50% of approved expenses to a maximum contribution of \$20,000 per year.</li> <li>- The maximum cumulative funding provided for exploration on any individual mineral occurrence will be \$100,000.</li> <li>- Maximum of one contribution per applicant per year.</li> </ul>	<p><b>Interim claims</b></p> <ul style="list-style-type: none"> <li>- Interim claims may be made every 30 days.</li> </ul> <p><b>Final payment</b></p> <ul style="list-style-type: none"> <li>- 25% of the funding will be withheld until an approved Final Submission Form and the Summary or Technical Report is received.</li> <li>- Final payment will be made following approval of the Final Submission Form and Summary or Technical Report.</li> <li>- There is no minimum time required for final contribution payment.</li> <li>- Report deadline is January 31 of the following year.</li> </ul>

## **PROGRAM REQUIREMENTS**

Funding is subject to the following conditions:

- ▶ all operations must be in compliance with the laws of general application, particularly those related to mining, water, land use and environmental regulations.
- ▶ the program area is not adjacent to or contiguous with an operating mine or proven occurrence owned by the applicant.

## **GRASSROOTS PROSPECTING AND GRASSROOTS GRUBSTAKE PROGRAM**

For the purpose of YMIP, prospecting is defined as: "the search for new mineral deposits by means of conventional prospecting (ground search for mineralization); geological, geophysical and geochemical surveying; sampling; grid preparation; the excavation of pits and trenches by hand and limited amounts (up to 20 per cent of total project time) of related physical work such as claim staking". Activities such as researching the literature, traveling, building camps or trails, repairing equipment, etc., are not considered to be prospecting.

The following conditions must be met in order to be eligible for the Grassroots Prospecting or the Grassroots Grubstake programs:

- ▶ prospectors must be in the field prospecting for a minimum of 30-person days (the majority of work must be completed by the applicant),
- ▶ prospecting must be conducted on Crown or recently staked land,
- ▶ not more than six areas are included in the proposal,
- ▶ the use of heavy equipment is not an eligible expense (using heavy equipment automatically moves your proposal into the Target Evaluation category),
- ▶ a Daily Diary and a Summary Report (in duplicate) together with a map showing traverses, locations of observations made, etc. are required at the completion of the project,
- ▶ project proposals must pass required government environmental screening processes.

## **FOCUSED REGIONAL**

For the purpose of YMIP, basic exploration work is similar to that described as prospecting above.

The following conditions must be met in order to be eligible for the Focused Regional program:

- ▶ applicants must submit a detailed work plan outlining the type and location of exploration,
- ▶ work carried out in the field must closely follow that outlined in the work plan,
- ▶ not more than one regional area is to be included in the proposal,
- ▶ no heavy equipment is permitted as most exploration will be carried out on crown land,
- ▶ there is no minimum or maximum time that must be spent in the field,
- ▶ project proposals must pass required government environmental screening processes,
- ▶ a Technical Report (in duplicate) is required at the completion of the project.

## **TARGET EVALUATION**

For the purposes of YMIP, Target Evaluation is defined as: "mineral exploration work directed at **appraising the potential of a previously unevaluated occurrence or target** by means of conventional prospecting, geological, geophysical and geochemical surveying, sampling, drilling, grid preparation and the excavation of pits and trenches (by hand or with equipment)." Target Evaluation work would normally occur in the year following discovery and staking of the target.

The following conditions must be met in order to be eligible for the Target Evaluation program:

- ▶ exploration must be conducted on either quartz claims, placer claims or exploration leases, coal exploration licenses or quarry leases, not on Crown land,
- ▶ applicants are responsible for obtaining any permits necessary to complete the work program, i.e. water licenses, land use permits, Environmental Assessment Review, etc.,
- ▶ project proposals must pass required government environmental screening processes,
- ▶ there is no minimum or maximum time that must be spent in the field,
- ▶ a Technical Report (in duplicate) is required at the completion of the project,

- ▶ the maximum cumulative amount of funding provided for exploration on any individual mineral occurrence will be \$100,000.

### **IS YOUR YMIP FUNDING TAXABLE?**

YMIP contributions are taxable under certain circumstances. We recommend that you contact your local Revenue Canada Office concerning the tax implications of your contribution.

### **DEADLINES FOR YMIP**

Applications for YMIP contributions must be submitted by March 1<sup>st</sup> in order to be considered for assistance. Contributions are for a twelve-month period commencing April 1<sup>st</sup> of each year.

Deadline for YMIP Final Submission (Final Submission Form and a Summary or Technical Report in duplicate) is **January 31 for all programs.**

Final contribution payments will be forfeited and initial contributions will be recalled if all documentation of work performed is not received by these dates.

### **DO YOU QUALIFY?**

To qualify you must:

- ▶ be a Canadian citizen or landed immigrant, nineteen years of age or over, **OR** be a Grubstaker financing a prospector who is a Canadian Citizen or landed immigrant, nineteen years of age or older, and/or
- ▶ be a company or partnership registered to do business in the Yukon, and/or
- ▶ be the party funding the work program for an exploration proposal on claims that have been optioned from another party or are the subject of a joint venture agreement,
- ▶ be eligible to stake mineral claims or leases in the Yukon as governed by the following:
  - Yukon Placer Mining Act,
  - Yukon Quartz Mining Act,
  - Territorial Coal Regulations,
  - Territorial Quarrying Regulations, and/or
  - Territorial Dredging Regulations,
- ▶ have a prospecting or exploration target that includes any of the mineral commodities defined in the above legislation,
- ▶ have no net income from mineral production in Canada,
- ▶ either have completed an Advanced Prospecting Course or demonstrate a sound knowledge of mineral prospecting and exploration technology through experience or training,
- ▶ submit a completed Application for Funding Form and a Prospecting or Exploration Proposal, to work in the Yukon on ground that you have the legal right to prospect or conduct exploration on, i.e. Crown land, staked or leased ground,
- ▶ not be employed by any mining or mineral exploration company while carrying out the program.

## **HOW WILL YOUR APPLICATION BE ASSESSED?**

**Funding is not automatic.** Applications will be evaluated by the Department of Energy, Mines and Resources and only well-conceived, technically sound applications will be considered. Funding will **not** be on first-come, first-served basis. The amount of money to be awarded is within the discretion of the Department. Contributions will be awarded according to project evaluation and are subject to availability of funds.

The following factors will be considered in determining the acceptance and designation of your project in relation to other proposals:

- ▶ experience and training of applicant (include number of years, dates, places and methods),
- ▶ quality and documentation of proposal,
- ▶ industry and Government references that can comment on your prospecting ability,
- ▶ past performance of applicant (provide list of options including names of person(s), company optioned to, dates, location of claims, etc.),
- ▶ financial commitment of applicant,
- ▶ past YMIP, Prospectors Assistance Program (PAP) and Exploration Incentive Program (EIP) performance of applicant (if applicable).

Applications will be reviewed and evaluated on the basis of the above criteria.

## **HOW TO APPLY?**

Application for a YMIP contribution must include:

1. a fully completed Application for Funding Form (provided in this booklet),
2. a prospecting or exploration proposal including a current claim map(s) showing the location of your project area(s).

### **1. APPLICATION FOR FUNDING FORM**

Please be sure to fill out all parts of the form and include:

- a) government or industry reference - if you are known by an employee of the Yukon Government - Department of Energy, Mines and Resources, the Yukon Geological Survey, or a geologist with Yukon work experience,
- b) contact telephone number(s) - which can be used to locate you before, during or after your project,
- c) number of years of prospecting or exploration experience and, if applicable, the type of training or relevant education obtained.

Please attach additional pages to include information you feel is important to your application.

## 2. PROSPECTING OR EXPLORATION PROPOSAL

Document your prospecting or exploration proposal by providing information on all of the following categories in addition to the Application for Funding Form.

- a) Project Location:
  - i) name of area or property name,
  - ii) identify project location(s) by: area, mining division, claim map sheet/NTS map sheet, and latitude and longitude (if it is an exploration property). A Grassroots Prospecting or Grassroots Grubstake proposal may include more than one geographic area (maximum of six),
  - iii) location map(s) of project area(s). Proposed prospecting or exploration areas must be clearly identified on a current claim or property map,
  - iv) if work is to be done on claims or leases, a list of claims/leases and a recent claim map with the claims/leases outlined is also required.
- b) Access - Route and method of transportation (how to get to claims if a visit by the Mineral Development geologist or a DIAND geologist is to be made).
- c) prospecting or exploration targets must be described by:
  - i) commodities, and/or minerals,
  - ii) deposit type and geology.
- d) Reason/rationale for your YMIP project.
- e) Description of type and amount of proposed work, i.e. prospecting; geological, geophysical and geochemical surveys; trenching; drilling; reclamation or other actions proposed to reduce environmental/resource concerns.
- f) Description of the type of supporting data or results which will be included in the Summary or Technical Report, ie. rock descriptions, assays, trench maps, drill logs, geophysical data, etc.
- g) An accurate estimate of the number of working days to be spent in the field by the applicant. The Grassroots Prospecting and Grassroots Grubstake proposals must involve a minimum of 30 person-days prospecting in the field (with the majority of work to be completed by the applicant).
- h) An accurate estimate of the project budget.
- i) List any partners that are applying for YMIP assistance or will be working with you on this project.

Applicants proposing to work jointly with other applicants (partners) may either:

- a) submit separate applications for different work areas, or,
- b) if joint applicants want to work in the same areas,
  - i) their proposed surveys (types of work) must be different, or,
  - ii) the area covered and expenses will be divided between the applicants.

Please indicate which option you have chosen.

**Note: The Application for Funding and the Prospecting or Exploration Proposal must be complete in order to qualify for assistance. Incomplete applications will not be approved. Applicants with incomplete applications (missing information on one or more of the above categories) will be contacted in writing and will have until March 1<sup>st</sup> to update their application.**

**Release of information will be governed by THE ACCESS TO INFORMATION AND PROTECTION TO PRIVACY ACT.**

Applicants may wish to discuss their completed applications with local Yukon government geologists and/or a geologist with Yukon work experience prior to submission.

**Make a photocopy of your proposal for your records.** The work that you will actually complete will be compared with your proposal before final payment of the contribution is approved.

The Department of Energy, Mines and Resources reserves the right to refuse any application either in whole or in part. The Department also reserves the right to determine that an exploration project proposal is beyond the scope of the program.

The Department will refuse an application if the individual or company:

- ▶ has shown poor performance and/or reporting on previous YMIP programs,
- ▶ has failed to pay contractors for invoices for which they have been reimbursed with previous YMIP funding,
- ▶ is in default of any YTG grant, loan, permit, etc.,
- ▶ is in non-compliance of a water license anywhere in the Yukon,
- ▶ failed to be available for a property inspection without reasonable cause,
- ▶ proposed a project within an area where claims cannot be staked (e.g. Category A Settlement Land).
- ▶ proposed a project within an area identified by the Yukon Government or the Federal Government as a Study Area for: National or Territorial Parks, The Protected Areas Strategy or Special Management Areas as outlined by the Umbrella Final Agreement.

The Department will determine that a project proposal is beyond the intended scope of the program if:

- ▶ the proposed budget is greater than \$100,000,
- ▶ the proposal includes underground development,
- ▶ any portion of the work plan can be interpreted as preparation for mining,
- ▶ the project includes a bulk sampling program, which can be construed as a high-grade mining activity.

Applicants who feel that their original application was incorrectly evaluated may submit a written formal appeal to the Mineral Development Geologist by June 1<sup>st</sup>.

### **PROCEEDING WITH YOUR PROSPECTING OR EXPLORATION PROGRAM**

Successful applicants will be required to enter into a Contribution Agreement with the Yukon government.

Prospecting and exploration applicants should make every effort to have a contact telephone number or address while in the field. The Mineral Development Geologist may visit successful applicants in the field and the project area must be available for inspection at a mutually convenient time.

Review the requirements for YMIP Final Submission before proceeding with your YMIP - assisted prospecting or exploration project. This will assist you when submitting your final documentation.

Receipts are required for all claimed expenses except meals, groceries, etc. which are covered by the daily living allowance, and fuel for vehicles if the rate/km is claimed in lieu of receipts.

The successful applicant must notify the YMIP, Mineral Development Geologist by August 15 if work has not started on the proposed program by August 1<sup>st</sup>. Failure to do so may result in termination of program agreement and recall of initial contribution payments.



## ADVANCES

Once the signed contribution agreement has been received, the successful Grassroots Prospecting applicant may be eligible for an advance. Applicants who have been on the program in previous years and have successfully completed the program may receive up to 25 % of the total contribution to a maximum of \$2,500. Applicants who are applying for the first time may be eligible for 10 % of the total contribution to a maximum of \$1,000. Advances are not available until after May 1<sup>st</sup>.

## PAYMENTS

All cheques take 10 to 14 working days to process, following approval of your advance or claim. Cheques will be issued by mail only and will be sent to the address provided on the application form unless the Department is notified otherwise OR, under certain circumstances, may be mailed to a Yukon bank branch provided arrangements are made when the Contribution Agreement is signed.

Interim and final claims must provide a detailed list of expenditures tabulated by date(s), recipient(s) of payment, nature of the expense and the amount(s), and supported, if requested, by accompanying receipts, invoices, vouchers, etc .

## DAILY ALLOWANCE

A daily living allowance (\$35 per person, per day) can be applied for time the applicant spends working on the designated project within the designated period of the project. The daily allowance is to be used to help pay for food, personal gear, etc.. **(Days claimed for research, promoting the property and writing final reports are not eligible for the daily allowance and do not count towards minimum time requirements).**

A detailed Daily Diary and a map showing traverses undertaken, observations made, etc. must accompany each Grassroots Prospector and Grassroots Grubstake final submission, for each day the applicant claims for the Daily Living allowance.

Time spent and expenses incurred prior to April 1<sup>st</sup> will not be eligible for reimbursement.

Applicants may not apply prospecting days toward the contribution requirements while under the employ of any company conducting exploration on the proposed projects.

## ELIGIBLE EXPENDITURES

Review very carefully the YMIP Summary, which outlines all eligible and ineligible expenditures for each program.

Eligible prospecting or exploration activities/expenses consist of:

- ▶ a daily living allowance of \$35 per person, per day,
- ▶ transportation of personnel, supplies and machinery by land, air, water or horseback,
- ▶ conventional prospecting,
- ▶ assays and analysis for all samples,
- ▶ wages and workers compensation coverage for assistants and employees (not for prospectors),
- ▶ heavy equipment costs on the Target Evaluation program (ineligible on Grassroots Prospecting, Grassroots Grubstake and Focused Regional programs),
- ▶ reclamation expenses (ie. backfilling trenches, contouring and revegetation, erosional control, drainage protection measures),
- ▶ road building costs on claims for the Target Evaluation program, not exceeding 25% of the total contribution and reimbursed at a rate of 25%,
- ▶ reasonable amount of time for report preparation,

- ▶ purchase of geological, geochemical, topographic, claim maps, or appropriate books,
- ▶ prospecting supplies, consumables such as hip chain thread, sample bags etc.,
- ▶ film purchase and developing costs.

Rates for wages and equipment rental must be reasonable and customary for the service provided.

Transportation costs are not to exceed 25% of the total contribution unless otherwise authorized by the Department of Energy, Mines and Resources. Circumstances such as remote location will be given the required consideration, for example.

These are eligible activities/expenses only if reports, maps, plans, sections, assay certificates and results, drill logs, etc. associated with these activities are included in the Summary or Technical Report, and proper receipts are received by the Department of Energy, Mines and Resources.

**All expenses to be claimed must be supported by a detailed list of expenditures submitted with every claim and, if requested, accompanied by clearly labeled receipts, invoices, vouchers, etc.** Receipts must be submitted for all helpers employed during the YMIP project. Interim claims may be made every 30 days.

**Please consult with the Department of Energy, Mines and Resources if you are unsure if an expense is eligible.**

Twenty-five per cent (25%) of the total contribution will be held until the Final Submission Form and the Summary or Technical Report are received. A detailed list of your total project expenditures must be submitted with your final claim.

Work performed prior to April 1<sup>st</sup>, date of awarding the contribution, will not be eligible for reimbursement.

Traveling expenses by road (within the Yukon) may be reimbursed at the current Yukon Government rate/km for the use of the applicant's own vehicles OR expenses (fuel, oil, etc.), not both. Costs of other forms of travel within the Yukon (air, boat, horseback, etc.) may also be claimed.

In cases where any change of project is required, it should be discussed with and approved in advance by the Department of Energy, Mines and Resources. Failure to do so may lead to cancellation of the contribution.

Note that if work on a designated project is discontinued before the proposed project is completed, you must notify the Department of Energy, Mines and Resources in writing within 30 days of discontinuing the work.

**The following expenses are NOT eligible for a contribution:**

- ▶ accommodation,
- ▶ travel expenses outside of the Yukon,
- ▶ recording, renewing, grouping, transferring or otherwise acquiring or maintaining an interest in a mineral property,
- ▶ management, accounting or legal fees,
- ▶ cost of acquisition or construction or depreciation of fixed assets (land, buildings, vehicles, machinery or equipment),
- ▶ any activities which results in net income from mineral production for the applicant,
- ▶ camp construction and other work not generating property evaluation information,
- ▶ truck repairs, equipment purchase or repair costs,
- ▶ funds to assist with a prospectus,
- ▶ compilation of old data and recalculation of old reserve data,
- ▶ taxes, fees on mining property,
- ▶ costs related to acquisition of mining lands, transfers, option payments, etc.,
- ▶ tents, packs, personal camp gear (sleeping bags, etc.), hiking boots,
- ▶ research materials deemed inappropriate by the Department of Energy, Mines and Resources.

Only days actually spent prospecting or engaging in exploration activities will be credited towards contribution requirements. Excessive amounts of time devoted to related activities such as researching literature or files, traveling to and from the field, building camps or roads, repairing equipment, etc., may be disallowed at the discretion of the Department of Energy, Mines and Resources.

Grassroots Prospecting and Grassroots Grubstake programs documenting less than the required 30 person-days prospecting in the field will have the amount of the contribution agreement reduced. A successful candidate who documents less than 30 person-days prospecting, or who fails to account for prospecting days, may, at the discretion of the Department of Energy, Mines and Resources, be required to return the advance payment.

**YMIP FINAL SUBMISSION**

After completion of the proposed project, a YMIP Final Submission Form (provided within this booklet) and a Summary or Technical Report (in duplicate) should be submitted as soon as possible. Deadlines for these submissions are **no later than January 31 for all modules**, for final payment of the contribution. Final contribution payments will be forfeited if the Final Submission Form and a Summary or Technical Report are not received by the above dates and the initial contribution monies paid in advance must be returned. **No extensions will be allowed.** Please read the following instructions carefully.

Final submission for the YMIP contribution program must include:

- ▶ a fully completed **Final Submission Form**,
- ▶ a detailed list of expenditures that have not previously been claimed, tabulated by date(s), recipient(s) of payment, nature of the expense and the amount, supported by accompanying receipts must be provided. These must conform to "eligible exploration expenditures" as defined on pages 8 and 9 of this YMIP Guideline Booklet. Expenses must have been incurred within the designated project period. The Department of Energy, Mines and Resources reserves the right to reject costs not included in the original application. Receipts must be submitted for all helpers employed during the YMIP project.
- ▶ in section VIII (Summary of Expenditures) of the Final Submission Form, the total expenses incurred during the exploration program should be listed and supported by a certified statement of proper account, and, if requested, by copies of receipts, invoices, vouchers, etc.
- ▶ for Prospecting and Grubstake programs, a daily log (diary) outlining the work activity for each day must be submitted in order to be paid the Daily Living Allowance. Clearly indicate the dates worked, the description of work accomplished and show on a map, traverses made and the locations of any work performed, observations made, etc.
- ▶ a complete Summary or Technical Report. Requirements for this report are identified in Schedule B of the contribution agreement and include the following: It should be a minimum two-page description under the following topics: Location and Access, Geology, Work Done, Results and Recommendations. Maps showing areas prospected must be submitted and keyed to the daily log and field notebook. Photographs would also be useful.

The **Summary or Technical Report** is a report documenting work performed, complete with supporting maps and data. This report must contain the following information for each activity that was completed during your prospecting/exploration program.

For evaluation and prospecting surveys: a summary of all previous relevant investigation; details of surface evaluation; a description of the methods of sampling employed and the methods of analyzing and assaying; tabulated results of all analyses and assays; and conclusions and recommendations shall be submitted.

For geological mapping: a table of formations; detailed geological information concerning rock types, structures, veins or mineralized zones or coal seams occurring on the claims or leases; an interpretation of the geological observations made; and conclusions and recommendations shall be submitted.

For geophysical surveys: a description of the methods of survey and equipment used; dates of survey; number of stations established; kilometers of line surveyed; copies of geophysical readings or profiles; pertinent calculations; an interpretation of the data collected which would include references to the available geology; and conclusions and recommendations shall be submitted.

For geochemical surveys: type and amounts of samples collected; survey dates; particular soil horizon sampled; a description of the methods and equipment used; the method of analyzing the samples, copies of all analyses (except where adequate contoured maps are provided showing the data in graphic form); reference to the sample location with a brief description of the topography; an interpretation of the data collected which would include references to the available geology; and conclusions and recommendations shall be submitted.

For analytical results: the total number of samples collected; sample location; description; analytical methods used and if a field analytical method is used for determining the metal content, a description of the method; metals determined and concentration units and the name of the commercial lab. Assay results shall be accompanied by assay or analytical certificates and plans or sections or both showing sample locations, assay results and the sample dimensions, and indicating the type of grab, chip, panel, channel, drill core or other type of samples taken will be submitted.

For trenching: dates of the work carried out; names of all persons who performed the work; the equipment used; an accurate plan showing the locations of trenches or other surface workings relative to the local topography and claim or lease boundaries; the dimensions of the workings and the volume of material excavated; descriptions of the materials excavated; and assays or other analytical results obtained from samples or specimens taken from the workings will be submitted.

For diamond drilling: an accurate map showing the location of drill holes relative to the local topography and claim boundaries and their bearing and dip; complete drill logs including rock types and mineralization; the results of physical or chemical tests performed; assays or analysis of core or sections of core and if no assays are provided, the reason for their absence; and a summary which outlines the objectives, results and recommendations of the drilling program shall be submitted.

For rotary (percussion) and auger drilling: an accurate map showing the location of drill holes relative to the local topography and claim boundaries and their bearing and dip; complete drill logs including rock types and mineralization; the results of physical or chemical tests performed; assays or analysis of cuttings which have been sampled and if no assays are provided, the reason for their absence; and a summary which outlines the objectives, results and recommendations of the drilling program shall be submitted.

If work was performed on claims, a copy of the applicable assessment report may be submitted instead of the Summary or Technical Report if it contains all of the work that was completed on the program.

Note that the YMIP Final Submission Form has space for reporting on four separate project areas; attach additional pages if more than four project areas were covered by your proposal.

Applicants are advised to visit a Yukon government Energy, Mines and Resources Geologist or a geologist with Yukon work experience to discuss their findings and follow-up projects.

Release of information contained in Prospectors' diaries, maps and other information submitted to the Department of Energy, Mines and Resources in fulfillment of the Grassroots Prospecting and Grassroots Grubstake modules of the Yukon Mining Incentives Program will be governed by THE ACCESS TO INFORMATION AND PROTECTION TO PRIVACY ACT for a period of five years, after which they will be made available for public inspection.

Release of information contained in Reports, maps and other information submitted to the Department of Energy, Mines and Resources in fulfillment of the Focused Regional or Target Evaluation modules of the Yukon Mining Incentives Program will be governed by THE ACCESS TO INFORMATION AND PROTECTION TO PRIVACY ACT for a period of two years, after which they will be made available for public inspection.

**The quality and content of the report and maps may influence your future eligibility for assistance.**

The exploration work, which was funded by Yukon Territory Government, will be accepted for representation work (assessment work) by the Mining Recorders office.

**Incomplete reporting of your prospecting or exploration project may result in reduction of your contribution and could render you ineligible for a contribution for the next funding year. Failure to return your final Grassroots Prospecting, Grassroots Grubstake or your Target Evaluation submission by the January 31 deadline, will result in forfeiture of your contribution.**

For further information and guidance, please contact the Mineral Development Geologist at:

Yukon Mining Incentives Program  
Yukon Geological Survey  
Department of Energy, Mines and Resources  
Yukon Government  
Box 2703 (K102)  
Whitehorse, Yukon  
Y1A 2C6

or

102 – 300 Main Street  
Whitehorse, Yukon  
Y1A 2B5

Phone: (867) 456-3828

1-800-661-0408 toll free within the Yukon

Fax: (867) 667-3198

Email: [ymip@gov.yk.ca](mailto:ymip@gov.yk.ca)