

FINANCIAL INCENTIVES PROMOTE EXPLORATION AND DEVELOPMENT

MEAP—an incentive to explore

Since 1995, the Mineral Exploration Assistance Program (MEAP) has offered over \$25 million in direct financial incentives for exploration projects in Manitoba.

The program is designed to attract companies and stimulate exploration activity for metallic and industrial mineral deposits. Financial assistance of up to 35% of approved eligible expenditures to a maximum of \$400,000 per recipient per fiscal year is available to companies or individuals exploring in the province.

“The Manitoba government continues to demonstrate the leadership necessary to attract and keep exploration in the province. MEAP is an excellent example of the government’s commitment to fostering economic development in the north through mineral exploration.”

RICHARD MURPHY, PRESIDENT AND CEO
SEYMOUR EXPLORATION CORPORATION (JANUARY 2006)

MPAP—support for prospectors

The Manitoba Prospectors Assistance Program (MPAP) offers over \$120,000 per fiscal year to encourage mineral prospecting in Manitoba. The program covers 50% of approved expenditures to a maximum of \$9000 per recipient per fiscal year.

Access to capital

Manitoba has amended legislation to allow the Province’s labour-sponsored funds, including the ENSIS Growth Fund, to invest in advanced exploration and mining development projects.

MANITOBA’S MINING TAX INCENTIVES

The basic mining tax rate of 18% is offset by a number of initiatives including

- a tax holiday for new mines; a new mine does not pay mining tax until its profits exceed the total cost of capital assets
- an off-site exploration allowance of up to 150%
- an investment tax credit of up to 7% for investment in new mines and processing facilities in Manitoba or major expansions of existing mines and processing facilities
- a processing allowance of up to 20% of the original capital costs of processing assets

Other Tax Reductions

- various sales tax exemptions
- motive fuel tax exemptions
- corporate income tax reduced from 15% to 14% by 2007

