
Calculation of Royalty Payment

1. Value of Output of Mine per page 3 \$ _____ x 13% = \$ _____ **Total Royalty**

	Value of Output of Mine (\$)	Rate (%)	Royalty (\$)
On the first \$10,000		0	
In excess of \$ 10,000 but not exceeding \$ 5,000,000		5	
In excess of \$ 5,000,000 but not exceeding \$10,000,000		6	
In excess of \$10,000,000 but not exceeding \$15,000,000		7	
In excess of \$15,000,000 but not exceeding \$20,000,000		8	
In excess of \$20,000,000 but not exceeding \$25,000,000		9	
In excess of \$25,000,000 but not exceeding \$30,000,000		10	
In excess of \$30,000,000 but not exceeding \$35,000,000		11	
In excess of \$35,000,000 but not exceeding \$40,000,000		12	
In excess of \$40,000,000 but not exceeding \$45,000,000		13	
In excess of \$45,000,000		14	
Total Value of Output of Mine per page 3			
2.	Total Royalty ▶		

ROYALTY PAYABLE LESSER of 1 or 2 \$ _____

Note: These brackets are subject to adjustment as per 65.1(2) and 67.1(2).

Calculation of Value of Output of Mine

Letters refer to ss. 65(4)

	(\$)	(\$)
Proceeds from the sales, during the fiscal year, of minerals or processed minerals produced from the mine to persons not related to the operator		
Market value of any minerals or processed minerals produced from the mine that were sold or transferred to a person related to the operator or that have been cut or polished before their sale or transfer		
Market value of any precious stones that have been cut or polished before their sale or transfer		(A)
Market value of any inventories of minerals and processed minerals produced from the mine, as at the end of the fiscal year		(B)
Market value of any inventories of minerals and processed minerals produced from the mine, as at the beginning of the fiscal year		(C)
The lesser of:		
(a) Payments received during the fiscal year related to a cost that has been claimed as a deduction or allowance		
(b) The cost related to payment above		(D)
Any excess amount referred to in paragraph 65.1(5)(b)		(E)
Amounts withdrawn during the fiscal year from a mining reclamation trust established in respect of lands referred to in Section 3, up to a maximum of the total of the amounts contributed to the trust		(F)
Any proceeds received during the fiscal year from insurance on minerals or processed minerals produced from the mine		(G)
Amounts of any grants or loans in respect of the mine that were made to the operator in respect of the mine that are forgiven, by the federal government in the fiscal year		(H)
Total of deductions and allowances claimed under subsection 65.1(1) (per page 4)		(I)
The amount by which the sum of the amounts referred to in paragraphs 65.1(8)(d) and 8.1(e) exceeds the undeducted balance of the depreciable assets eligible for a depreciation allowance at the end of the fiscal year		
The amount by which the sum of the amounts referred to in paragraphs 65.1(8.1)(c) and (d) exceeds the undeducted balance of the development allowance at the end of the fiscal year		(J)
Value of Output Of Mine		
(A) + (B) - (C) + (D) + (E) + (F) + (G) + (H) - (I) + (J)		▶

Deductions and Allowances

	(\$)
(a) The costs, incurred during the fiscal year, of sorting, valuing, marketing and selling the minerals or processed minerals produced from the mine	
(b) The costs, incurred during the fiscal year, of insurance, storage, handling, and transportation to the processing plant or market in respect of, minerals or processed minerals produced from the mine	
(c) The costs, incurred during the fiscal year, of mining and processing minerals or processed minerals from the mine	
(d) The costs, incurred during the fiscal year, of repair, maintenance or reclamation at the mine	
(d.1) The consideration paid by a member of a joint venture for minerals or processed minerals diverted from another member of the joint venture, when each member is delivering a separate mining royalty return in accordance with 67.1	
(e) General and indirect costs incurred during the fiscal year for property, employees or operations at the mine that are not otherwise allocated to operating costs	
(f) Exploration costs per page 4 below	
(g) Depreciation allowance per page 5	
(h) Development allowance per page 5	
(i) Mining reclamation trust contribution allowance per page 6	
(j) Processing allowance per page 6	
(k) Costs with respect to minerals or processed minerals from the mine processed at another mine or at any facilities located outside the Territories as per 65.1(1)(k)	
Total Deductions and Allowances ▶	(l)

Calculation of Exploration Costs Deduction

Value of output of the mine, calculated after deduction of the amounts referred to in paragraphs 65.1(1)(a) to 65.1(1)(e) and before deduction of any depreciation allowance, mining reclamation contribution allowance, development allowance or processing allowance.				(\$)
				(A)
				10% of (A) (B)
(i)* Name of Owner	(ii) Percentage Ownership of the Mine (%)	(iii) Column (ii) x B (\$)	(iv) Actual exploration costs incurred during the year as per paragraph 65.1(1)(f) (\$)	(v) Lesser column (iii) and column (iv) (\$)
Costs eligible for exploration deduction (sum of column (v)) ▶				(C)
LESSER OF (B) OR (C) ARE COSTS ELIGIBLE FOR DEDUCTION ▶				

* For each owner please attach a list of claim and lease numbers and specify the exploration costs incurred on each.

Calculation of Depreciation Allowance

		(\$)
Undeducted balance of depreciable assets at the beginning of the fiscal year**		(1)
<i>** Where this is the first return this amount should be the balance as at the date of commercial production</i>		
Cost of additions during the fiscal year to depreciable assets		(2)
The lesser of:	(\$)	
a) Proceeds from the disposition during the fiscal year of depreciable assets or insurance proceeds as the case may be or		
b) The original cost of the assets		(3)
Undeducted balance of depreciable assets at the end of the fiscal year prior to deduction of a depreciation allowance (1) + (2) - (3) ▶		(4)
Amount of depreciation claimed for the current fiscal year (Cannot exceed amount in 4) (Claim this amount on page 4)		(5)
Undeducted balance of depreciable assets allowance at the end of the fiscal year after deduction of a depreciation allowance for the current fiscal year (4) - (5) ▶		

Note: If depreciable assets are used for processing mineral or processed minerals produced at another mine see sections 65.1(8)(c) and 65.1(9).

Development Allowance

		(\$)
Undeducted balance of the costs eligible for a development allowance***		(1)
Exploration costs incurred on the mining property, after the date of commencement of production, during the fiscal year		(2)
Costs incurred after the date of commencement of production, during the fiscal year at the mine for workings designed for continuing use, including the clearing, removing or stripping of overburden from a new deposit at the mine, the sinking, excavation or extension of a mine shaft haulage way or similar underground work, the construction of an adit or other underground entry and the construction of a road or tailings disposal structures		(3)
The lesser of:	(\$)	
(a) Costs referred to in subparagraph 65.1(1)(h)(i) and (ii) that were incurred by a previous owner on a recorded claim or lease that has been incorporated into the existing property		
(b) The purchase price of the claim or lease		(4)
Undeducted balance of the costs eligible for the development allowance at the end of the fiscal year prior to deduction of the development allowance (1) + (2) + (3) + (4) ▶		(5)
Amount of development allowance claimed for the fiscal year (Amount claimed cannot exceed (5) above) (Claim this amount on page 4)		(6)
Undeducted balance of costs eligible for the development allowance at the end of the fiscal year after deduction of a development allowance for the current fiscal year (5) - (6) ▶		

*** If this is the first mining royalty return for the mine, attach a schedule indicating the balances of costs incurred up to the date of commercial production as identified in subsections 65.1(1)(h)(i) and (ii) which make up this amount.

Note: Explorations and development costs incurred above must be supported by a list of the claim and lease numbers upon which these costs were incurred.

Mining Reclamation Trust Contribution Allowance	
	(\$)
Undeducted balance of contributions to the mining reclamation trust at the beginning of the fiscal year	(1)
The amounts contributed to the mining reclamation trust during the fiscal year	(2)
Undeducted balance of contributions to the mining reclamation trust at the end of the fiscal year prior to any deduction of a mining reclamation trust contribution allowance for the current fiscal year	(3)
Amount of mining reclamation trust contribution allowance claimed for the fiscal year (Claim this amount on page 4)	(4)
Undeducted balance of contributions to the mining reclamation trust at the end of the fiscal year after deduction of a mining reclamation trust contribution allowance (1) + (2) + (3) - (4) ▶	(5)

Processing Allowance	
	(\$)
Original cost of the processing assets at the beginning of the fiscal year	(1)
Original cost of processing assets added during the fiscal year	(2)
Original cost of assets sold, discarded or disposed during the fiscal year	(3)
Original cost of the processing assets at the end of the fiscal year (1) + (2) - (3) ▶	(4)
Original cost of processing assets included in item (4) above but not used during the fiscal year	(5)
Original cost of processing assets eligible for a processing allowance at the end of the fiscal year (4) - (5) ▶	(6)
8% of value of (6) above	(7)
Value of output per page 3 (A to H)	(8)
Allowable deductions and allowances per page 4 item (a) to (i) + (k)	(9)
(8) - (9) ▶	(10)
65% of item above ▶	(11)
Processing allowance: the lesser of (7) or (11) above (Claim this amount on page 4) ▶	

Note: Where a mine is in production for less than 12 months in a fiscal year or a fiscal year of a mine is less than 12 months, the item (7) above shall be prorated based on the number of months in a fiscal year that the mine is in production. See 65.1(2)

Note: Where in a fiscal year the operator of a mine uses processing assets at this mine to process minerals or processed minerals produced at another mine the asset base used for the calculation of the processing allowance shall be reduced by a percentage equal to the proportion of the mill operating costs attributable to the processing of the minerals or processed minerals from the other mine. See 65.1(8)