

# BRITISH COLUMBIA CANADA



**PROSPECTS**

**IN MINING**



**MINING PRODUCTS + INNOVATION**



[www.BritishColumbia.ca](http://www.BritishColumbia.ca)



## DISCOVER NEW PROSPECTS IN BRITISH COLUMBIA'S EXTRACTIVE INDUSTRIES

Economic growth in the U.S., Europe and other developed countries is building demand for industrial metals and materials, and setting the scene for long-term growth in British Columbia's mining sector. This surge is coupled with a global shift towards greener economies, stimulating growth in a province known as an important global exporter of the metals and minerals required for technology, innovation and society's transition to a lower carbon future.

British Columbia, well known as a global centre of expertise in mineral exploration, is already experiencing rising demand, with its prime Pacific Rim location and abundant mineral and coal resources. Throughout B.C., Provincial and First Nations governments, industry and communities are working together to support an innovative, competitive and responsible mineral exploration and mining sector. These advantages, together with geoscientific expertise, sophisticated geological data systems and our supportive business environment, attract investors from around the world to British Columbia's natural resource industries.





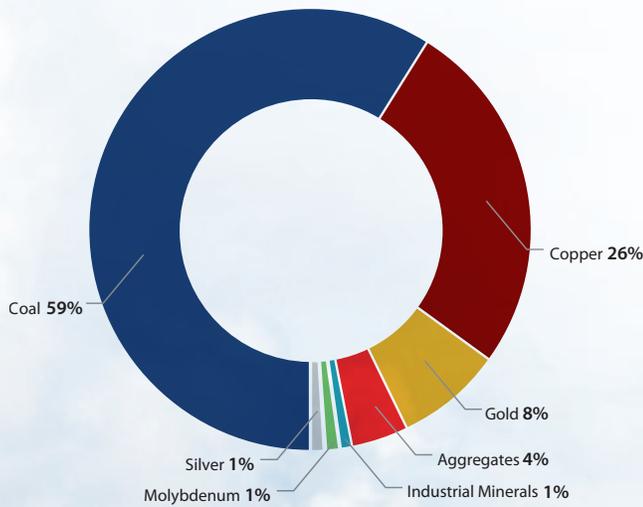
**Active Mines in British Columbia:**

Sixteen major mines producing coal (metallurgical and thermal), gold, silver, copper and molybdenum; over 30 industrial mineral mines producing gypsum, magnesite, dolomite, limestone, calcium, clay, zeolite, diatomite, bentonite and barite; and hundreds of aggregate pits and quarries.

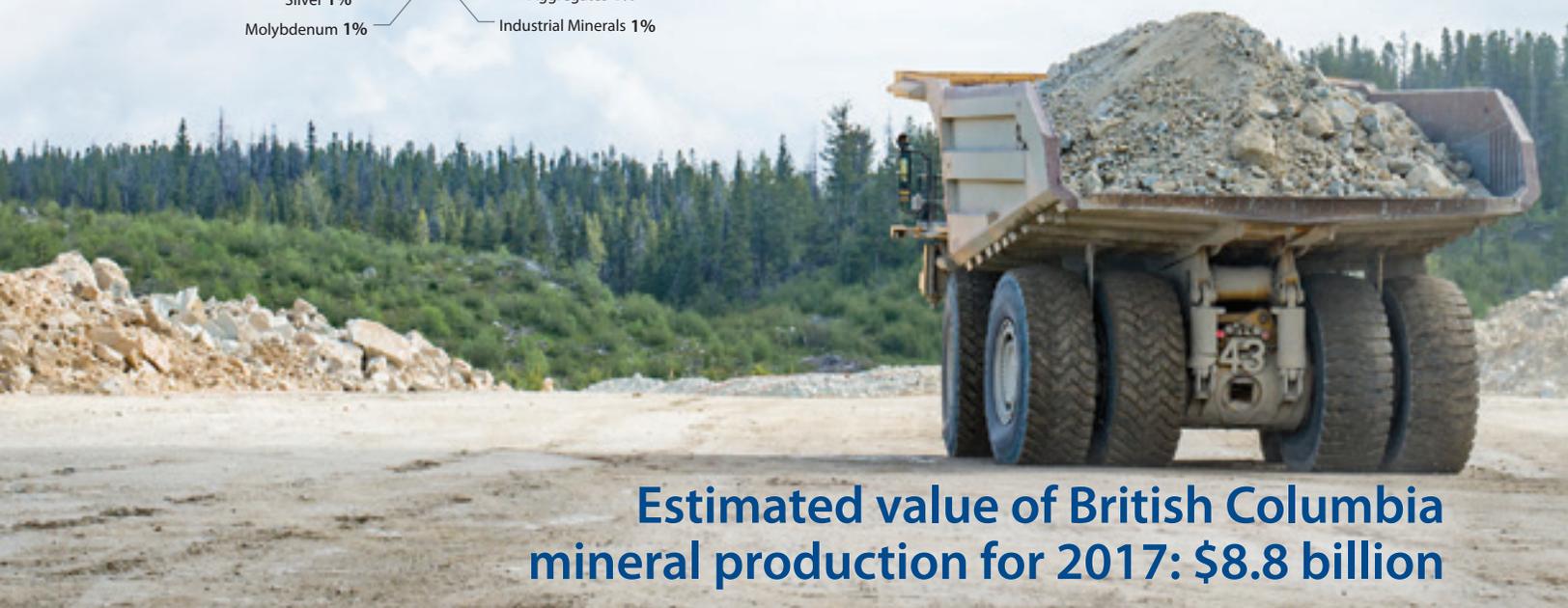
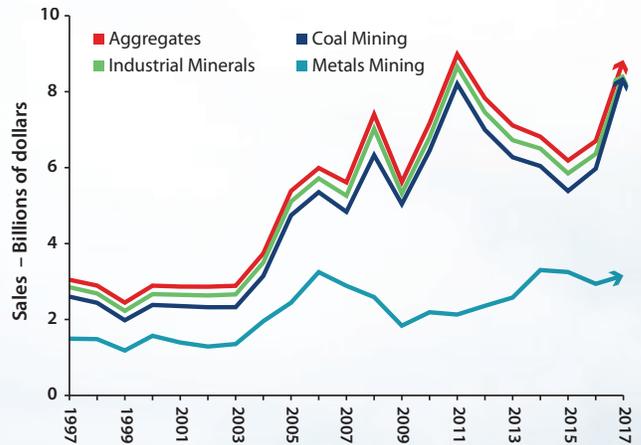
**Mineral-Processing Facilities in British Columbia:**

One smelter, one secondary smelter, one smelter/refinery and one processing plant.

**British Columbia Mineral Production By Commodity, 2017:**



**Value of British Columbia Mineral Production By Year, 1997-2017:**



**Estimated value of British Columbia mineral production for 2017: \$8.8 billion**

# TOP REASONS TO EXPLORE BRITISH COLUMBIA'S RICH OPPORTUNITIES

## VAST RESOURCES

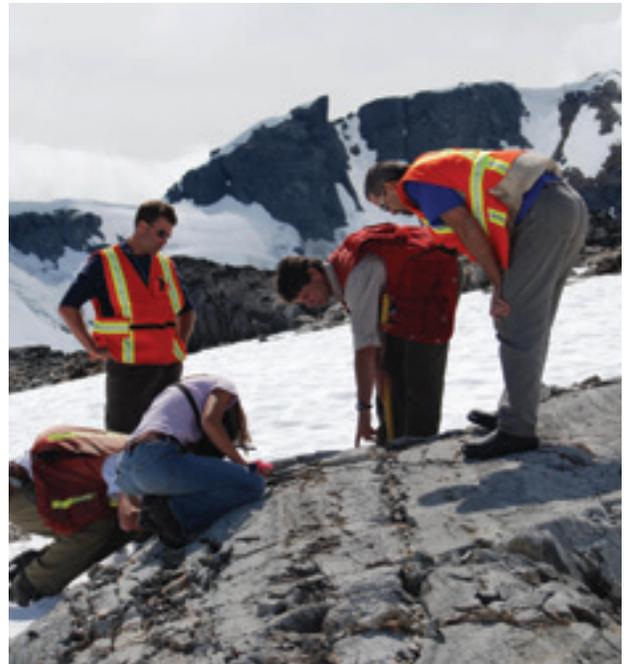
British Columbia's mountains and river valleys hold minerals the world needs, from industrial commodities such as coal and copper to precious metals such as gold and silver.

## EASY MARKET ACCESS

Efficient supply chains, superior transportation linkages and the shortest sea route between North America and Asia make British Columbia a supplier of choice for minerals and coal.

## TOP TALENT

British Columbia is home to a wealth of internationally recognized expertise in exploration and development, augmented by universities and research centres that continue to develop new knowledge and information.



## DISCOVER SHINING OPPORTUNITIES IN MINING

British Columbia's reputation for rich resources, stable government and a supportive business environment attracts investors from around the world. With over 150 years of mining history, mineral products have long been one of our top exports. In 2017, British Columbia produced \$8.8 billion worth of mine products, from high value metals to metallurgical coal and construction aggregates.

Copper and metallurgical coal are British Columbia's top exports, and Canada's only molybdenum mines are also located here.

RESOURCE BASE	ANNUAL EXPORTS (2017)
<b>Coal</b> We are Canada's largest exporter of coal and the third largest globally by volume	<b>\$6.6 billion</b>
<b>Copper Ores and Concentrates</b> Our second most important mineral commodity	<b>\$2.6 billion</b>
<b>Zinc</b> High potential for development of new zinc resources	<b>\$1 billion</b>
<b>Molybdenum Ores and Concentrates</b> We are one of the top 10 producers of this resource	<b>\$110 million</b>
<b>Nickel</b> Emerging opportunity	Exploration stage



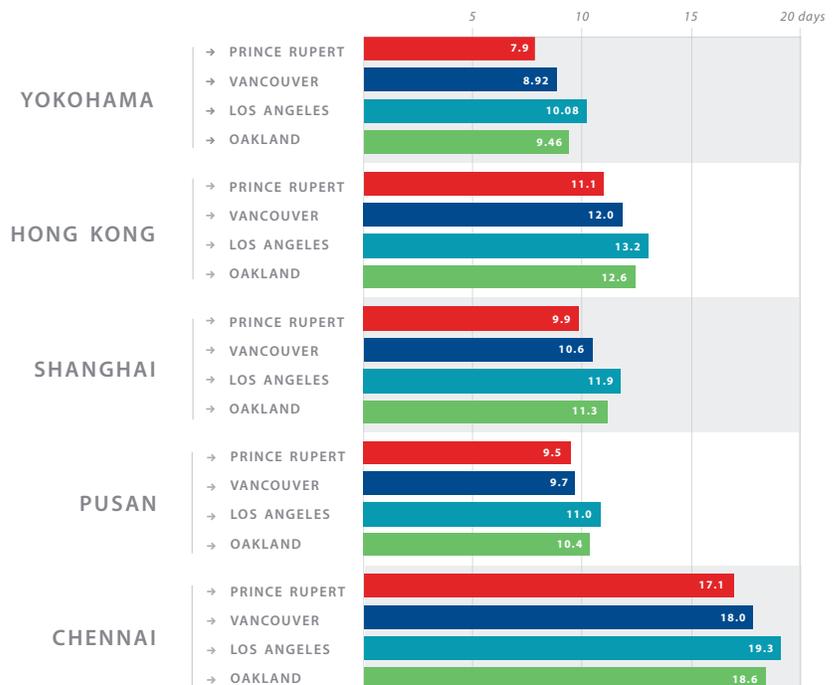


# ACCESS GLOBAL MARKETS FROM BRITISH COLUMBIA

## TAKE ADVANTAGE OF THE SHORTEST SEA ROUTE TO ASIA

British Columbia is ideally placed to supply Asia's growing economies with the metals, coal and energy they demand. With locations up to three days closer than U.S. west coast ports, British Columbia ports reduce the shipping costs for mineral resources destined for Asia. Continuous investment in port facilities increases their capacities and improves handling efficiencies, resulting in modern, high-throughput terminals connected to an efficient rail and road network.

Reach key and growing global markets from British Columbia, located on Canada's west coast.



## EXPERIENCE OUR ROBUST OVERLAND INFRASTRUCTURE

British Columbia is a gateway on the west coast of the Americas served by three Class 1 railways. The CN, Canadian Pacific and Burlington Northern rail systems connect British Columbia ports with double-stack capability, linking key markets throughout Canada, the United States and into Mexico. Our terminals connect directly into the Northwest Transportation Corridor, a modern rail and road network engineered and built to carry massive volumes.

Government and business capital spending continues to open new regions for development. The recently completed Northwest Transmission Line extends British Columbia's high voltage transmission grid to the northwest region, providing clean electricity to support mining developments in the area.

Reach key and growing global markets from British Columbia, located on Canada's west coast.

## TAP INTO BRITISH COLUMBIA'S TOP TALENT

British Columbia is internationally recognized as a centre of expertise in mining and related fields, such as metallurgy, environmental engineering, mine safety and the geosciences. Our educated and skilled labour force of more than 2.6 million people includes nearly 30,700 employees in mining, exploration and the oil and gas industries.

Our geologists, engineers, prospectors, metallurgists, assayers, lawyers, accountants and financiers are among the best-educated mining experts in Canada. British Columbia universities, colleges and trade schools offer advanced training in mining professions. The B.C. Centre of Training Excellence in Mining monitors the need and the availability of skills training for the mining industry.

## BUILD LASTING PARTNERSHIPS WITH FIRST NATIONS

In British Columbia, First Nations' governments continue to play a key role advancing and supporting resource development. Mining is the largest private-sector employer of indigenous people in Canada and B.C. has instituted mineral tax revenue sharing with First Nations through economic and community development agreements.

Consultation with First Nations is essential to land and resource decision-making. It is mandatory for all major project proposals. The interests of First Nation communities typically relate to potential impacts on Aboriginal rights and title, including traditional practices, cultural resources and environmental concerns. British Columbia guides project proponents to work with First Nations to ensure resource-management decisions respect their rights, interests, knowledge and values.

Recent success stories demonstrate the potential of First Nations partnerships on world-class mineral development in the province. Advancement of the recently opened Red Chris and Brucejack mines and the fully permitted KSM project, the largest undeveloped gold deposit by reserves in the world, all involved creating strong relationships between proponents, First Nation and provincial governments. The success of these projects proves partnership and collaboration are the foundations for project development in British Columbia. Responsible resource development rooted in local partnerships is the new way of doing business – and B.C. is leading the way.





## ACCESS WORLD-CLASS SERVICES

Vancouver, British Columbia, is the global centre of expertise for mineral exploration, with over 1,000 global exploration mining service and supply companies headquartered in the greater Vancouver area.

Exploration, development and production companies from around the world hire British Columbia expertise, including:

- ▶ Engineering firms and services
- ▶ Equipment and machinery support services
- ▶ Financial and legal consultants
- ▶ Geological/geotechnical services
- ▶ Current technologies in materials handling, production machinery and distribution
- ▶ Sustainable environmental practices and site remediation
- ▶ Software services and systems
- ▶ Occupational health and safety standards and technologies

**Our diverse, multilingual workforce, trained at some of the best universities in the world, ensures state-of-the-art mining management and operations.**



# TAKE ADVANTAGE OF INCENTIVES

British Columbia provides many incentives to encourage business investment and innovation. Royalty credits, tax credits and refunds are available for research and development, machinery and equipment investment, and other sector-specific activities.

## **British Columbia Mining Exploration Tax Credit (B.C. METC)**

This program provides a refundable tax credit equal to 20 per cent of qualified mining exploration expenses less the amount of any assistance received or receivable. If the exploration expenditures are incurred in prescribed areas affected by the mountain pine beetle, the credit is increased to 30 per cent.

## **B.C. Mining Flow-Through Share Income Tax Credit (B.C. MFTS)**

An individual who invests in flow-through-shares may receive a non-refundable tax credit equal to 20 per cent of a corporation's B.C. flow-through mining expenditures that are transferred to the individual in a given year. B.C. flow-through mining expenditures are specific exploration expenses incurred after July 30, 2001 and renounced by a corporation issuing the flow-through shares.

## **New Mine Allowance**

This allowance increases by one-third the value of eligible capital expenditures for new mine developments and significant expansions brought into production before January 1, 2020. It means 133.3 per cent of a mine's qualifying capital expenditures can be added to its Cumulative Expenditure Account to reduce payable taxes once the project is complete.

## **B.C. Training Tax Credits**

This program provides refundable tax credits for apprentices and employers who take part in apprenticeship programs administered through the Industry Training Authority.



## **Capital Cost Advantages**

Corporations claiming capital cost allowances for income tax depreciation purposes in respect of certain mining activities may put individual capital assets in separate classes instead of pooling them. Eligible assets include certain production machinery and equipment.

## **Property Tax Exemptions**

Tangible personal property, such as production machinery, business equipment, furniture and inventories, is exempt from property tax in British Columbia.

## **Property Tax Credits**

Mine operators and other industrial businesses can claim industrial property tax credits of 60 per cent for school property taxes.

## **Investment Allowance**

Investors can claim an investment allowance when they file a Mineral Tax Return to allow for interest on the capital invested in the mine while it is in commercial production.

## **Cumulative Tax Credit**

Under the Mineral Tax Act, a cumulative tax credit is a reduction of Net Revenue Tax (NRT) based on the Net Current Proceeds (NCP) Tax paid. This credit ensures that investors pay either NRT or NCP but not both.

## **Nisga'a Exemption**

Under the Nisga'a Nation Taxation Agreement, a mine operating on or under Nisga'a Lands in northwestern British Columbia is exempt from provincial Mineral Tax

## GET ESSENTIAL DATA ANYTIME, ANYWHERE

British Columbia's award-winning digital data access systems are readily available online, wherever you are in the world. Many of B.C.'s online mineral maps and data sets are available by searching for Viewing Online: Data & Maps British Columbia (<https://www2.gov.bc.ca/gov/content/industry/mineral-exploration-mining/mineral-titles/data-gis/viewing-data?keyword=mapplace#iMap>).

### BRITISH COLUMBIA GEOLOGICAL SURVEY

Over 110 years worth of geoscience maps, reports and databases are continually updated with the latest information.

[www.empr.gov.bc.ca/Mining/Geoscience](http://www.empr.gov.bc.ca/Mining/Geoscience)

### MINERAL TITLES ONLINE

Obtain secure tenure for existing and new mineral titles by selecting your area on a seamless digital geographic information systems (GIS) map.

<https://www.mtonline.gov.bc.ca/mtov/home.do>

### MAPPLACE

Access rich geoscientific data and tenure information on British Columbia's geology, mineral exploration, mining and energy resources through an interactive map.

[www.MapPlace.ca](http://www.MapPlace.ca)

### BRITISH COLUMBIA MINE INFORMATION (BETA)

Examine consolidated information on mines from British Columbia government offices.

<http://mines.nrs.gov.bc.ca/>

### IMAPBC

View and analyze hundreds of map data layers compiled from across government and other agencies.

<https://maps.gov.bc.ca/ess/hm/imap4m/>

## RELY ON ROBUST INDUSTRY SUPPORTS

### GET YOUR PROJECTS UNDERWAY WITH STREAMLINED PROCESSES

Companies that invest in British Columbia's rich mineral and coal resources benefit from well-defined, transparent review processes for proposed major projects. British Columbia works closely with our partners in exploration, development and production to develop mining resources in environmentally sustainable and socially responsible ways. We are committed to efficient and timely reviews of projects.

Government departments use a coordinated approach, bundling multiple authorizations and permits as a single project rather than a group of individual permits and authorizations. Combining authorization and permitting processes for major projects eliminates duplicated effort, reduces timelines and protects environmental standards.

**British Columbia helps investors develop coal and mineral resources by offering clear guidance to straightforward, transparent regulatory processes.**



## MINE APPROVAL PROCESS

British Columbia has a long history of providing secure natural resource tenure to individuals and companies, and its title registry ensures clear rights to mineral resources. The mine approval process is the same for everyone whether the proponent is local, national or international.

## MAJOR MINES PERMITTING OFFICE

The Major Mines Permitting Office (MMPO) improves the co-ordination of regulatory permits for major mine projects. The MMPO team works directly with proponents, government and First Nations to ensure timely review and completion of applications for new major mines and expansion projects. Team members co-ordinate multi-agency regulatory permits and work to enhance communication, identify and resolve issues and conduct project reviews efficiently.

## LOWER YOUR COSTS WITH OUR CLEAN, RELIABLE ELECTRICITY

Over 98 per cent of electricity in British Columbia originates from renewable sources, providing reliable, environmentally sustainable power at rates that are among the lowest in North America. A robust transmission and distribution system delivers uninterrupted power to all regions, ensuring extraction costs remain low.

The Northwest Transmission Line, completed in 2014, extends British Columbia's high voltage transmission grid to the northwest region, providing clean electricity to support mining developments in the area.



## CONTACT

### Trade and Invest British Columbia

999 Canada Place, Suite 730  
Vancouver, British Columbia,  
Canada, V6C 3E1

Phone: 604 775-2100  
Fax: 604 775-2197  
[international@gov.bc.ca](mailto:international@gov.bc.ca)

Published in July 2018

Every effort has been made to ensure the accuracy of this publication at the time of writing; however, the programs referred to, and data cited, are subject to change.

All figures are in Canadian dollars

[www.BritishColumbia.ca](http://www.BritishColumbia.ca)

