



**REQUEST FOR PROPOSALS
FOR COAL EXPLORATION IN
THE PICTOU COALFIELD,
WESTVILLE, PICTOU COUNTY, NOVA SCOTIA**

APRIL 11, 2019

Honourable Derek Mombourquette
Minister of Energy and Mines

Request for Proposals for
Coal Exploration in the Pictou Coalfield
Westville, Pictou County, Nova Scotia

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1.0 Introduction

On February 23, 2018, the Nova Scotia Department of Natural Resources received an expression of interest to explore for coal in the Westville area of Pictou County (Figure 1). Having evaluated the expression of interest, the Department of Energy and Mines is herein issuing a Request for Proposals (RFP) for a program to explore for coal in the area shown in Figure 2, which is defined as the Project Area. The successful applicant will be issued an exploration license to carry out exploration for coal in the Project Area, which consists of 10 claims as listed in Table 1.

Project Area	NTS Map	Tract	Claims
Westville	11E10A	59	F G K L M N O
		60	Q
		61	A
		62	D

Table 1. Mineral Claims which make up the Westville Project Area.

The authority to offer by a request for proposals process the right to apply for an exploration license for the Project Area is defined in Section 59 (2) of the *Mineral Resources Act*.

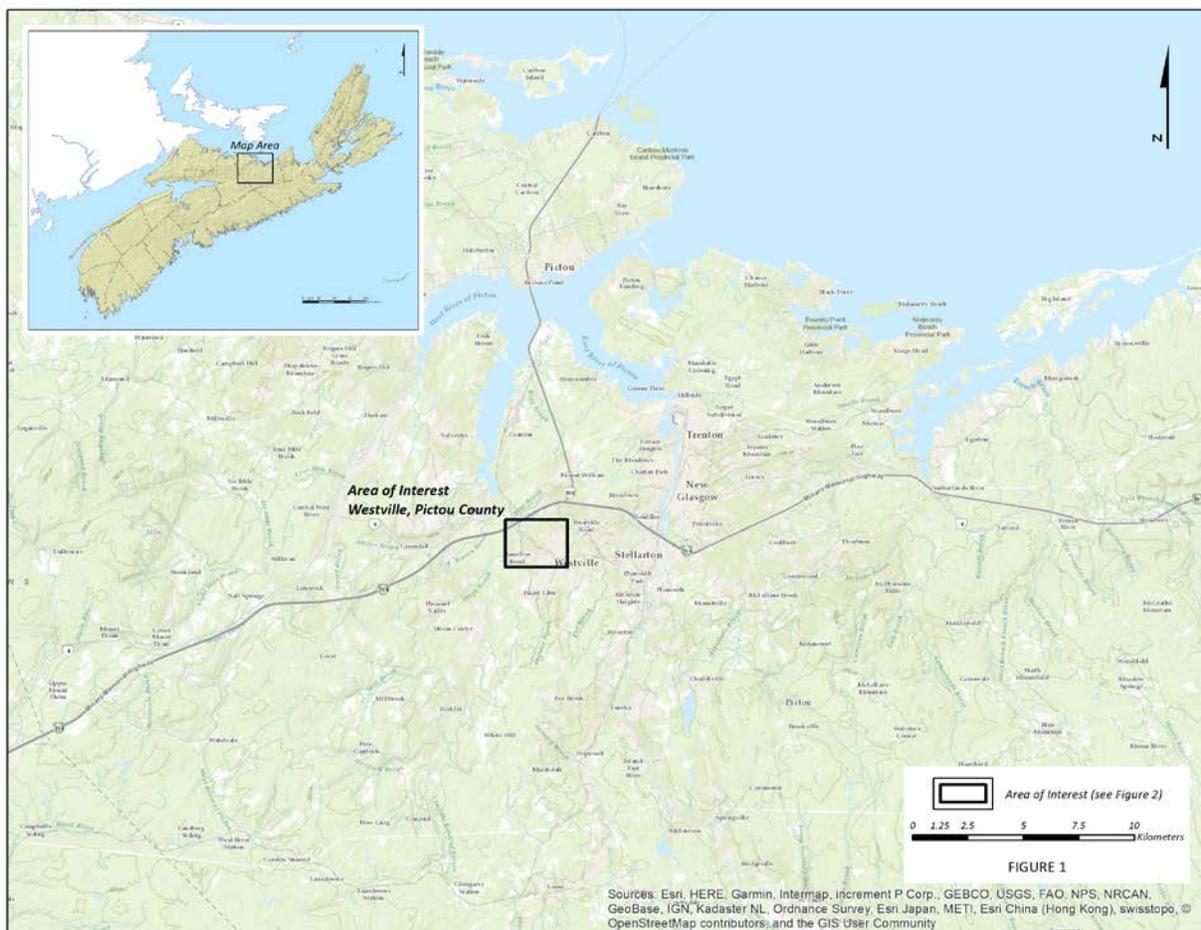


Figure 1. Location of the Westville Project Area.

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Figure 2. Westville Project Area (yellow outline).

1.1 Background

The Pictou Coalfield contains known coal resources and has a long history of underground and surface mining. The area is underlain in part by the Westville Formation, which includes the oldest coal seams in the Pictou Coalfield. The formation includes at least four coal seams. Two of the seams, the Acadia and Scott seams, have been mined extensively. Based on compilations of exploration and production records, the Acadia seam has averaged 1.2% sulphur and 12.6% ash, and the Scott seam 1.5% sulphur and 20.9% ash, and both have measured seam thicknesses of 3.5 to 5.5 metres

(12 to 18 feet) (Nova Scotia Department of Mines, 1978). The objective of the proponent's exploration program will be to determine if coal of this quality occurs within the Project Area.

Historic underground coal mines in the Westville area typically employed a "room and pillar" mining method and significant coal resources were left in the ground as support pillars. The historic operations, and especially unauthorized bootleg mines, may not be well documented and their presence in the Project Area could significantly reduce potential recoverable resources. In addition, the Project Area may contain hazardous and unmarked mine openings (for example, shafts, portals, subsidence, etc.) or other unstable features. Any proposed exploration program must consider the potential impacts of historic mining operations. In addition, parts of the coal seams, which are inferred to underlie the Project Area, may have been previously mined by authorized operators and illegal "bootleg" mining.

Proposals made in response to this RFP will be assessed based on overall project feasibility, as well as economic, environmental and land use benefits for the Town of Westville and the Province. The factors considered to evaluate proposals are outlined in *Section 2.2*.

2.0 Request for Proposals (RFP) Process

2.1 Purpose

The purpose of this RFP is to seek mineral exploration proposals from proponents interested in evaluating the potential coal resource contained within the Project Area.

The Department acknowledges that designing an exploration program for the Project Area may be constrained by factors including but not limited to:

- land ownership
- existing land uses
- community concerns
- potential environmental sensitivities and impacts
- historic mining activity

Applicants submitting proposals are required to investigate and report how potential constraints will affect an exploration program for the Project Area.

The selected proposal will be approved, and a mineral exploration license will be issued by the Department of Energy and Mines within 30 days of Department's acceptance of the successful proposal.

2.2 Proposal Content and Format

Each proposal must be accompanied by a \$25,000.00 deposit. The deposit must be in the form of a certified cheque or money order payable to the Minister of Energy and Mines. Deposits will be returned to unsuccessful respondents when the successful proposal is announced. The deposit will be returned to the successful proponent when the proponent files an acceptable assessment report to the Department of Energy and Mines before the anniversary of the first, 2-year term of the exploration license. The proponent's deposit will be forfeited to the Department of Energy and Mines if the proponent does not file an assessment report before the anniversary of the first, 2-year term of the exploration license.

Proposals must contain enough detail to demonstrate that the proponent has the technical and financial resources to undertake and complete the proposed exploration

program. Proposals should be organized to include:

(i) **Company and Project Management**

Describe the management capacity of the proponent emphasizing experience in coal exploration in Nova Scotia. Identify the management team responsible for administration and operation of the project.

(ii) **Technical Management Team**

Describe the technical competency of the proponent to undertake the project including engineering, geological, geotechnical and environmental resources that will be utilized during the exploration program.

(iii) **Regulatory Approval Process**

Demonstrate a clear understanding of the regulatory approval process for mineral exploration projects in Nova Scotia including, but not limited to acquiring mineral tenure (license), environmental approvals, and an occupational health and safety review.

(iv) **Community Engagement**

Consistent with Section 44(1)(b) of the Mineral Resources Act, proponents are requested to submit a stakeholder engagement plan with the proposal.

(v) **Exploration Plan**

Provide enough detail to demonstrate that the proponent has a clear comprehension of the exploration plan required to confirm a coal resource. Proponents should elaborate on issues that are relevant and appropriate to describe their proposal.

Information submitted should include, but not be limited to, the following:

1. Coal resource evaluation. Using existing resources, the proponent is required to submit a desk-top resource assessment for the Project Area. Classification of resources in the assessment should be based on accepted industry standards and practices used to determine economic coal deposits.

2. Exploration Program. Outline the exploration program to evaluate the potential coal resource. Proposed exploration activities must include a description of the work program, and fully document the cost for the proposed work program for the first term (i.e., 2 years) of the Exploration Licence.
3. Land access. Identify land ownership for all properties that surface-access rights will be required to undertake the exploration program. Outline specific issues related to property access that will need to be addressed prior to undertaking the project. Provide a strategy for gaining land owner approvals.
4. Project schedule. Provide a schedule for the 2-year term of the exploration license.
5. Environmental management plan. Identify significant environmental issues that may need to be considered and describe how the issues can be addressed within the context of the exploration program.
6. Reclamation approach. Describe the reclamation protocol for areas disturbed by exploration activities.

(vi) **Statement of Project Impacts and Benefits**

The proponent must provide a statement of the anticipated impacts and benefits the exploration project will have on the Town of Westville and to the Province. This statement may include, but should not be limited to, environmental, financial, employment, economic and social impacts during exploration and following completion of the project.

(vii) **Statement of Past Practice in Coal Exploration**

The proponent is required to include a statement of disclosure describing all other coal exploration projects the proponent has undertaken in Nova Scotia. This statement must outline the company's history of compliance with applicable legislation during these projects.

NOTE

*All reports and plans developed in response to this **Request for Proposals** must be prepared in accordance with the author's qualifications as set forth in Section 46 of the Mineral Resources Regulations.*

2.3 Submission of Proposals

Proposals must be submitted through the internet-based NovaROC application (and see, Application for Licence->Tender call for a mineral licence; choose tender #53140). Proposals must be received by the system prior to midnight AST on the May 15, 2019. The deposit cheque must be received by the Registrar of Mineral and Petroleum Titles at the following address prior to 16:00 AST on May 16, 2019.

Registrar of Mineral and Petroleum Titles
Nova Scotia Department of Energy and Mines
3rd Floor, Founders Square
1701 Hollis Street
P. O. Box 698
Halifax, Nova Scotia B3J 2T9

Proposals received after the closing date and time will not be considered.

Proposals sent by other means will not be accepted.

2.4 Proposal Evaluation

A Review Panel will be assigned to make recommendations on the relative merits of the proposals that meet the minimum requirements and that indicate a proponent's capability to successfully carry out the exploration program. All proposals received will be evaluated on the criteria as set out in *Section 2.2*.

Appendix A - "Westville Coal Exploration RFP Evaluation Guide" sets out the criteria and the relative weighting for each criterion.

2.5 Announcement of Results of Call

The result of the proposal evaluation will be announced within 30 days of the closing date.

2.6 Requirements of Successful Proponent

The successful proponent must meet the requirements of the *Mineral Resources Act* when applying for an exploration licence. The successful proponent will be issued an exploration licence within 30 days of being notified as having the successful proposal. Failure to execute the proposed exploration plan and to submit an acceptable assessment report will result in the forfeit of their \$25,000 bid deposit.

The successful proponent will be responsible for obtaining all approvals and permits required to carry out their exploration program, including environmental approvals, and an access agreement with the Town of Westville.

2.7 References

Nova Scotia Department of Mines. 1978. A History of Coal Mining in Nova Scotia, Information Series No. 2, 42 pages.

For further information on the Mineral Resources Act and the Mineral Resources Regulations, contact the Registry of Mineral and Petroleum Titles.

Registry of Mineral and Petroleum Titles
Nova Scotia Department of Energy and Mines
3rd Floor, Founders Square
1701 Hollis Street
P. O. Box 698
Halifax, Nova Scotia B3J 2T9

Tel: (902) 424-4068
Email: NovaROC@novascotia.ca

APPENDIX A

Westville Coal Exploration RFP Evaluation Guide For Review Panel

Criteria	Weight
1 Company and Project Management	5
2 Technical Management Team	5
3 Regulatory Approval Process	5
4 Community Engagement Plan	10
5 Exploration Plan	50
6 Statement of Project Impacts and Benefits	5
7 Statement of Past Practice in Coal Exploration	20
<u>Total</u>	<u>100</u>