

2019-20 Nova Scotia Mineral Resources Development Fund (MRDF) Terms and Conditions for a Major Project Grant

Please study these Terms and Conditions carefully before you submit a proposal. Omission of critical information may lead to a proposal being unsuccessful.

Major Project Grants

- Major Project Grants are available through the Mineral Resources Development Fund (MRDF) to provide data on regional exploration targets or metallogenic models that contribute to the public geoscience knowledge base.
- A Major Project Grant provides up to \$500,000 toward the project.

Eligibility

- The work must be undertaken by qualified people (who need not be residents of Nova Scotia).
- The type of projects that will be considered for funding includes, but is not limited to:
 - Airborne or ground geophysical surveys.
 - Remote-sensed surveys.
 - Geochemical surveys.
 - Reprocessing of existing geophysical survey data.
 - Reprocessing of existing remote-sensed survey data.
 - Re-analysis of existing geochemical samples.
 - Compilation of geoscience data that exist in literature or assessment reports.
 - Geoscience data user needs or gap analysis studies.
 - Workshops intended to help define geoscience data user needs.

Responsibilities

- All correspondence with respect to MRDF grants must be communicated through the MRDF Administrator at mrdf@novascotia.ca or 902-424-8157.
- Grant recipients will be required to track expenses related to MRDF-funded components of their exploration programs, to ensure that MRDF-funded activities are completed, and to submit expenses and required MRDF reports. Any changes to the proposed budget or work proposal must be submitted by e-mail to the Department, and the Administrator's

approval returned by e-mail. Failure to do so will mean work related to those changes may not qualify for re-imburement.

- The applicant must have all the necessary permitting approved before work commences.
- If you are applying under a registered Harmonized Sales Tax (HST) name, please note this in your application. HST is excluded as an eligible grant expense for applicants eligible for federal government reimbursement of the tax. Please check web page link: <http://novascotia.ca/sns/paal/tax/paal050.asp> for requirements for an HST number.
- The grant recipient shall keep and preserve all books, accounts and records relating to the MRDF grant project and keep them available for examination and audit by the Minister for a period of not less than two years after receipt of funding. The recipients shall have complied with all applicable provincial and federal laws and regulations, including those respecting mineral resources, surface rights, health, environment, safety, and conditions of labour.
- The grant recipient shall at all times indemnify and save harmless the Government of Nova Scotia and the Minister of Energy and Mines from and against all claims, demands, losses, costs, damages, actions, suits, and other proceedings howsoever made, sustained, brought, or attributable to performance, part-performance or non-performance by the recipient, its servants, agents, workers, or employees, in carrying out the project or any of the provisions of these guidelines. This includes any and all environmental liabilities relating to any lands and watercourses, which liabilities may reasonably be inferred to be as a result of the conduct of the grant recipient.

Application Procedure

- Projects with a duration of more than one fiscal year must be applied for (proposed) in separate phases each fiscal year.
- Proposals must include:
 - an executive summary.
 - objective(s)/purpose(s).
 - a detailed description of the project.
 - the applicability and relevance of the data that will be produced to assist industry in understanding the geology and identifying exploration targets.
 - how it will reduce exploration costs and risks to the industry.
 - any key performance indicators.
 - a detailed budget.

- a description of the data that will be delivered and the formats it will be delivered in.
 - timelines and detailed work plan for project duration.
 - a list and description of deliverables
 - the principal individual(s), organizational affiliation, and contact information.
 - a list of relevant insurance/bonding/licenses or qualification documents required to do the work.
 - a statement by the individual(s)/organization that all data produced will be owned by the Province of Nova Scotia and that the proponents will make no ownership or intellectual property claims against the data, and that they relinquish any copyright and understand that the data will be placed in the public domain for anyone to use.
- Expected deliverables will depend on the scope and nature of the project and the types of data to be provided, but would include the following:
 - all data collected or created in its raw and/or proprietary formats.
 - all data must also be provided in accessible formats (these will vary depending on the type and nature of the data, and can be discussed at the time of application. Acceptable formats will be defined in the acceptance letter. All data must be in UTM zone 20 NAD83 CSRS.
 - a report, in PDF/A format, describing how the data were created, collected, compiled, processed or analyzed, and must contain metadata that describe the data, including but not limited to: formats, fields, projection, datum, storage structure and any other information required in order to understand the data. The requirements will vary depending on the type and nature of the data and can be discussed with the Department at the time of application.
 - all original laboratory certificates and digital files for any geochemical analyses.

Written proposals will be accepted starting April 9, 2019. Proposals must be sent by e-mail to the Department at mrdf@novascotia.ca by **no later than 4:00 pm, Monday, May 6, 2019**.

Please study the Terms and Conditions carefully before you apply. Omission of critical information may lead to an application being unsuccessful.

Novascotia.ca e-mail accounts can only receive 30MB of data per e-mail; if the application and data exceed this, please send multiple e-mails. (It is recommended you check with your e-mail provider to inquire about size limits for sending e-mails with large data amounts).

Proposal Review and Evaluation

- Proposals will be evaluated by the MRDF Review and Evaluation Committee based on:
 - the clarity of the proposal (clearly communicated and well drafted).
 - the underlying rationale of the project.
 - the relevance of the data to increasing exploration in the province and reducing exploration costs and risks to industry.
 - the value in adding the data to the public geoscience knowledge base for future use.
 - the feasibility of the proposed approach and methods.
 - if the project is at par with international best practices.
 - the budget estimation (reasonable with an adequate level of budget detail).
 - the external factors and risks that could affect success of the project.

Response Process

- Successful applicants will receive a contribution agreement (to be signed by the applicant) confirming that their project has been approved and listing the expenses that will be covered under the MRDF. Only approved expenses incurred starting April 1, 2019, will be eligible for re-imbusement under the MRDF.
- Unsuccessful applicants will receive an email from the Department that will include the applicant's score, the passing score for the funding stream, and the areas where the application was deficient. Unsuccessful applications will be considered closed files, and decisions made by the Review and Evaluation Committee may not be appealed. Applicants are welcome to supply a revised application. Resubmissions will be considered new applications and be reviewed on a first-come, first-served basis, if funding remains or becomes available.
- The Department may request a meeting with the proponent to discuss and define the deliverable data formats and reporting requirements.

Fund Disbursement

- Forty percent (40%) of the MRDF matching funds will be paid on project approval, twenty percent (20%) will be paid on the approval (by the Department) of the Interim Report, and the remaining forty percent (40%) of the MRDF funds will be paid upon confirmed completion of the approved work program.

- Completion of the work program means that the Final Report, expense statement, receipts, and digital data obtained using MRDF funds have been received and approved by the Department. All invoices submitted for re-imbusement for work allowed under the terms of the contribution agreement must be fully paid for and dated no earlier than April 1, 2019.
- Unspent funds at the completion of a project can be re-allocated at the discretion of the Department in consultation with the MRDF Review and Evaluation Committee.

Withdrawal of Funding

- If it appears to the Department that the project is not going to proceed, then the funding may be withdrawn. The grantee may be required to attend a meeting with the Department to explain delays in the project.

Reporting Requirements

Preliminary Report

- Successful applicants are required to e-mail a Preliminary Report to the Department at mrdf@novascotia.ca no later than 4:00 pm, July 15, 2019. The purpose of this report is to confirm that funding is in hand or has been arranged, that land access has been cleared with property owners, and that contractors have been engaged to complete the work in a timely manner.

Interim Report

- Successful applicants are required to submit an Interim Report to the Department at mrdf@novascotia.ca no later than 4:00 pm, September 16, 2019. The report must be an e-mail to the co-ordinator providing an update on the status and progress of the project.

Final Report

- A Final Report must be submitted digitally no later than 4:00 pm, February 18, 2020.
- The grant recipient shall keep and preserve all books, accounts and records relating to the MRDF grant and keep them available for examination and audit by the Minister for a period of not less than two years after receipt of funding. The recipients shall have complied with all applicable provincial and federal laws and regulations, including those respecting mineral resources, surface rights, health, environment, safety, and conditions of labour.
- The Final Report must include a clear statement of only eligible MRDF costs and paid receipts totaling 100% of grant funding. We require official receipts from vendors confirming payment of invoices directly related to the costs incurred. Receipts are only eligible for work on or later than April 1, 2019. The receipts must have a zero balance or

the bill must be signed and dated by the vendor as paid. Please make sure that work submitted to be reimbursed under the MRDF is allowable under the contribution agreement. Wire transfers are not acceptable as proof of payment. Proof of payment can include: copies of both sides of cancelled (cleared) cheques, bank statements demonstrating payment of invoices, official receipts, vendor signing and dating the bill as paid, or letters from vendors confirming payment of invoices directly related to the costs incurred.

- The Final Report must be a PDF/A with all components (figures, assay information, maps etc.) in one file. Maps must clearly show the location of completed work, claim boundaries (if relevant), and include an index map showing approximate location of the project area in the province. Maps must be submitted at an appropriate scale, clearly showing information that is relative to the data being collected or processed, and may include but is not limited to such things as: detailed geology, legends, structural data, relevant geophysical/geochemical data, and previous drill collar locations (including longitudinal sections if applicable).
- The report must describe how the data were created, collected, compiled, processed or analyzed, and must contain metadata that describes the data, including but not limited to: formats, fields, projection, datum, storage structure and any other information required in order to understand the data. The requirements will vary depending on the type and nature of the data and can be discussed with the Department at the time of application.
- The report must also detail how the data were stored on the delivery media, including directory and file naming conventions.
- The report must also contain all original laboratory certificates and digital files for any geochemical analyses.
- The Final Report, Expense Statement, any digital data obtained using MRDF funds, and scanned paid receipts are to be sent to the Department at mrdf@novascotia.ca . Receipt of the Final Report and any additional data will be confirmed by the Department by e-mail.
- The final payment will not be issued until the Department has given approval that the Final Report and additional data are satisfactory.
- Please ensure that the Final Report and any media releases note that the project was partially funded by the MRDF.
- The recipients shall be solely responsible for any declaration required under the *Income Tax Act* relative to the contribution made in respect of this program. HST is excluded as eligible grant expense for applicants eligible for federal government reimbursement of the tax. Please check the web page <http://novascotia.ca/sns/paal/tax/paal050.asp> to confirm whether you need to register for an HST number.

- The report must contain a statement by the individual(s)/organization that all data produced will be owned by the Province of Nova Scotia and that the proponents will make no ownership or intellectual property claims against the data, and that they relinquish any copyright and understand that the data will be placed in the public domain for anyone to use.

Data Delivery

- All final data products must be delivered to the Department at the same time as one Final Report.
- The data may be delivered on any medium that is reasonable for the size of the data and is acceptable to the Department. This may include, but is not limited to, CDs, DVDs, memory sticks, etc.
- The delivery must include all data collected or created in its raw and/or proprietary format(s).
- All data must also be provided in accessible formats (these will vary depending on the type and nature of the data and can be discussed at the time of application and will be defined in the contribution agreement).
- All data must be in the UTM zone 20 NAD83 CSRS datum and projection.

Notes

- Please note that geoscience is a regulated profession in Nova Scotia and the *Geoscience Profession Act* requires that individuals and companies who offer, provide or undertake geoscience in the province must be registered. If you are not registered in Nova Scotia, please enquire about professional registration before starting any work under the Mineral Resources Development Fund. Prospectors are considered exempt from the Act. If you have questions regarding professional registration or if you require assistance, please contact APGNS at 902-420-9928 or by e-mail at registrar@geoscientistsns.ca.
- Any changes to the proposed budget or work proposal must be submitted by e-mail to the Department, and the Department's approval returned by e-mail. Failure to do so will mean work related to those changes will not qualify for re-imburement.
- An on-site inspection of projects may be conducted to verify project completion and compliance.
- The MRDF Review and Evaluation Committee may turn down a proposal if the applicant or any of the principals involved in the proposal have failed to fulfill the requirements of a previous Mineral Incentive Program or MRDF grant that they were approved for.