



Ref. 39359

JUN 13 2016

Gavin C. Dirom, MSc, PAg
President and Chief Executive Officer
Association for Mineral Exploration British Columbia
800 - 889 West Pender Street
Vancouver BC V6C 3B2

Dear Gavin C. Dirom:

Thank you for your letter dated May 19, 2016 regarding the concern that some First Nations are demanding access payments from proponents, tenure holders, and in some cases, their contractors and suppliers, as part of proposed exploration project agreements with First Nations. I am pleased to share the provincial view on this serious matter.

First Nation assertion of ownership within a geographic area, and associated requests for fees to operate on Crown lands, are not consistent with provincial laws of authority. To be clear, the Province maintains full jurisdiction on Crown lands, and does not view First Nation governments as possessing the authority to require companies to make access payments in return for being allowed to work in their respective territories. In addition, the Province does not support the imposition of revenue-generating processes on Crown lands and for Crown-authorized activities from any third party, and this includes First Nations.

While proponents are not required to provide funding to First Nations as part of engagement or consultation, they may choose to do so as part of business arrangements with First Nations. The responsibility for assessing the acceptability of any economic request from a First Nation rests entirely with proponents. As such, the Province will not direct that such funding be provided, nor will the Province offer advice to proponents regarding capacity funding requests from First Nations.

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The Province has a clear interest in continuing to foster resource development activities in all regions of British Columbia by increasing certainty on the land. The Province will continue to meet its constitutional obligations to consult and, where appropriate, accommodate potential impacts to First Nations' Aboriginal rights, title and interests for proposed developments in First Nation territories. The Province also encourages proponents to continue to engage with First Nations early and often, with the objective of establishing mutually beneficial working relationships.

Should you wish to discuss this matter further, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "John Rustad". The signature is written in a cursive style with a long horizontal stroke extending to the right.

John Rustad
Minister