

Notice of Proposed Legislation: ***The Mineral Resources Amendment Act, 2025***

BACKGROUND:

Large resource project areas are comprised of both Crown and privately owned minerals, and project proponents must obtain consent from all mineral owners to proceed with a project. In recent years, potash companies have found it increasingly difficult, and at times impossible, to confirm private mineral ownership and obtain consent to develop resources. Similar challenges exist in other industries that require large tracts of land for development, such as brine lithium.

The challenges in obtaining voluntary agreements from private mineral owners vary. Sometimes, private mineral owners have died, and their heirs cannot be located. Other times owners are known but because of financial, legal, or health restrictions, their mineral ownership cannot be confirmed. There could also be situations where long-standing family disputes make consent and cooperation among owners impossible, or they oppose mining because of personal beliefs.

The challenges have significant impacts on the province, private mineral owners, and the energy and resource industry. For private owners, these challenges result in a loss of income for those who support mining activities. For industry, the challenges lead to costly modifications in mining plans and processing facilities as they have to mine around areas with unknown mineral rights owners. This in turn affects efficiency and profitability. Also, these challenges result in permanently stranded public and private mineral resources that are unlikely to be recovered once companies leave the affected areas, leading to wasted resources.

SUMMARY OF PROPOSED AMENDMENT:

The Ministry of Energy and Resources (ER) is proposing to amend *The Mineral Resources Act, 1985* to create a legislative authority to designate development areas to provide subsurface access for resource projects that are deemed to be in the public interest.

This would allow the Government of Saskatchewan to establish a Designated Development Area through the Order in Council process on a risk-based, project-by-project basis. ER will ensure these project requests proceed through a rigorous review process to ensure due diligence and procedural fairness. Rules and procedures will be set out in the legislation for transparency and public accountability.

The goal is to help maximize the value of mineral resources for the people of Saskatchewan, including private mineral owners, while supporting continued investment in Saskatchewan's

strong resource sector.

Please see Appendix A for the details of the proposed legislative amendments.

THE PROCESS:

ER is seeking written comments from stakeholders regarding the proposed amendment to *The Mineral Resources Act, 1985*.

If you have any comments, questions, or require further discussion with ministry staff about the proposed amendment, please contact:

ER Service Desk at er.servicedesk@gov.sk.ca

Please use the subject line: **MRAA, 2025**

The deadline for submitting written comments/questions is **June 1, 2025**.

Thank you for taking the time to participate in this important initiative.

Appendix A: Overview of the Proposed Legislative Amendment Framework

Proposed Legislative Amendments:

General Administration:

- Upon submitting a successful application and receiving approval, resource companies may access privately owned minerals through a Designated Development Area. Designated Development Areas can contain private minerals or a combination of Crown and private minerals. Companies can only access a Designated Development Area if an application is deemed to be in the public interest. It is noted that:
 - this legislation would not affect mineral rights ownership. Private owners – both known and missing – would continue to own and hold title to their mineral rights, even if their minerals are included in a Designated Development Area; and,
 - access would not apply to federally owned minerals, the surface of any lands in Saskatchewan, nor would it provide project regulatory approval, which must instead be obtained from regulators.
- The Minister of Energy and Resources may impose any terms and conditions for administering the Designated Development Area, including rentals, royalties and other requirements. This flexibility helps address specific aspects of individual projects.
- Legal immunity would be established for operators of the Designated Development Areas and for the Government of Saskatchewan related to any operations or decisions made in good faith and in the public interest in connection to the Designated Development Area.

Criteria for Application Review and Approval:

- The applicant for a Designated Development Area containing private mineral rights must:
 - demonstrate that the area is geologically suitable for resource development;
 - have sufficient control of the proposed Designated Development Area by reaching voluntary agreements with mineral owners, including the Crown, Crown disposition holders, mine owners or operators and/or any other parties that may be affected;
 - make reasonable efforts to find missing/unknown owners and obtain consent/agreements from private owners who have withheld voluntary agreements;
 - provide 60-days notice to all affected individuals and parties informing them of the intent to request the Designated Development Area; and
 - demonstrate that the absence of mineral agreements would negatively affect the reasonable implementation of a legitimate exploration or development plan.

Trust Administration for the Benefit of Private Owners:

- Profits produced from private minerals without voluntary agreements would be kept in trust.
 - If the private owners or heirs do not claim the proceeds within 10 years of the start of
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production and sale of product, the funds would be transferred to the General Revenue Fund. Public notice would be provided before any such transfer occurs.

- The transfer of proceeds to the people of Saskatchewan would not affect private mineral ownership.

QUESTION FOR THE PUBLIC AND STAKEHOLDERS:

Are there any implications or challenges associated with implementing any of the policy areas outlined above?

