

# Stimulating the Mineral Industry with Prospector Assistance

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## Purpose

The Prospector Assistance Program (PAP) was designed to help prospectors learn prospecting skills, to provide a financial contribution toward working a mineral claim and to assist in marketing mineral properties. Although the idea of prospector assistance is not new, the current program, which began in 1997, is different than previous prospector programs.

## Importance of Prospectors

The 'grass roots' of successful mining relies on a local community of prospectors involved in searching for new deposits and carrying out exploration on known mineral occurrences. Their work makes mineral occurrences and deposits attractive to investors and mining companies.

Over the past ten years the exploration component of the mineral industry has changed significantly in Canada and Nova Scotia. Most mining and exploration companies have dramatically reduced their exploration staffs and curtailed the resources they would need for exploration. The result is a significant reliance on prospectors to find mineral properties, prospect them, and undertake geological, geochemical and geophysical surveys as needed. At the same time more exploration capital is moving to Central America, South America and other parts of the world.

Prospectors have now assumed a stronger role in mineral exploration than they have in the past. They have always been part of the mineral industry at its 'grass roots', but now prospectors are expected to work a property to a higher level of development. The industry's greater reliance on prospectors to do additional work creates a need for training, continuing education, financial assistance and marketing support. The Prospector Assistance Program in Nova Scotia is designed to accomplish all of these.

## History

Prospector assistance programs began in the early 1990s as part of the Canada-Nova Scotia Cooperation Agreement on Mineral Development (CNSCAMD).

The Prospectors Assistance Program under the most recent CNSCAMD (1992-1995) was one of the most popular programs under this agreement and the results were gratifying. There are now over 640 registered prospectors with approximately 240 companies or individuals holding one or more mineral licences in the province. Approximately 150 prospectors received assistance grants for work on their properties between 1992 and 1995. During the same time over 200 people took the basic prospecting course and 12 took the first offering of the advanced prospecting course.

The CNSCAMD also provided limited financial assistance to attend trade shows for marketing mineral properties. Many prospectors attended the Prospectors and Developers Association of Canada meeting in Toronto and were able to interest companies in their properties.

## Current Prospector Assistance Program

The current Prospector Assistance Program builds on the past experience of the CNSCAMD. The Nova Scotia Department of Natural Resources has brought together all parts of prospector assistance into one program instead of several. The program is funded by the Canada-Nova Scotia Cooperation Agreement on Economic Diversification, which is jointly administered by the Nova Scotia Department of Economic Development and Tourism and the Atlantic Canada Opportunities Agency (ACOA). The agreement has a value of \$600 000 over four years and will end in 2001. Over the four year life of the program, each of the three components is receiving solid support. Table 1 provides the budget for each component of the program.

The Prospector Assistance Program has been successful in obtaining the support of the prospecting community. Shortly after the program was made official in August 1997, the Mineral and Energy Resources Division hosted a workshop for stakeholders. Representatives of the prospecting community at large, the Prospectors Association of Nova Scotia, the Mining Society of Nova Scotia and the Chamber of Mineral Resources of Nova Scotia met with division staff to

**Table 1.** Budget for the Prospector Assistance Program.

Component	Year 1 1997-98	Year 2 1998-99	Year 3 1999-00	Year 4 2000-01	Component Total
1. Training	\$15 000	\$ 25 000	\$ 20 000	\$ 20 000	\$ 80 000
2. Assistance	\$20 000	\$100 000	\$140 000	\$140 000	\$400 000
3. Marketing	\$30 000	\$ 30 000	\$ 30 000	\$ 30 000	\$120 000
<b>Yearly Totals</b>	<b>\$65 000</b>	<b>\$155 000</b>	<b>\$190 000</b>	<b>\$190 000</b>	
			<b>Total Amount of PAP</b>		<b>\$600 000</b>

review the guidelines and operating procedures of the PAP. The department launched the program at the annual Minerals and Energy Branch Review of Activities in November 1997.

The PAP is co-ordinated by the author, who is assisted by a committee comprising Dr. Michael Cherry, Director of the Mineral and Energy Resources Division, and geologists Michael MacDonald, Ron Mills and Paul McCulloch.

## Program Components

The program has three components: (1) prospector training, (2) prospector assistance, and (3) marketing assistance. Although each component is independent of the others, all three are integrated in a uniform approach to encourage the development of the province's mineral potential.

**Prospector Training** provides support for training entry level prospectors at different locations throughout Nova Scotia. An advanced course is offered as demand warrants and gives additional experience and practice to those prospectors who have graduated from the basic course. The demand for training has been high. We have delivered basic prospecting courses in various parts of the province. Since the PAP began in 1997, 227 people have taken basic and advanced prospecting courses. Graduates of the courses rate the course content and the instructors very favourably. Table 2 lists the locations of courses and the number of graduates in the past several years.

**Prospector Assistance** provides a base level of financial support for individual prospectors to search for new mineral deposits and to attract exploration activity by larger companies. Both the PAP and the prospector contribute toward the funding of a project. If a prospector has an application approved for the maximum amount of \$5 000, then he or she is required

to contribute a minimum of \$1 500 to the project. Prospectors may choose to pay for some of their out-of-pocket expenses and in-kind work with their share. Although they only need to contribute a maximum of 30% toward their project, prospectors often contribute considerably more. In year 2 (fiscal 1998-99) prospectors contributed an additional 57%, or 27% above the minimum required amount. In year 3 (fiscal 1999-2000) prospectors may contribute as much as 70% additional funds (or 40% above the minimum). The modest funding levels for the prospector assistance component are returned many times over by contributions, both monetary and in-kind work, from the prospectors. The number of projects and their targets are shown in Table 3. In year 3 the 28 projects are evenly distributed across the province (Table 4).

**Marketing Assistance** is designed to assist in promoting and marketing a prospector's mineral claims. Most of the marketing work is conducted at national and international trade shows. These provide unparalleled venues to present Nova Scotia's mineral potential and investment opportunities to mining companies and industry representatives. Marketing assistance for prospectors provides financial assistance to travel to trade shows, to display information about and samples from properties, and to make contacts with industry people. Table 5 lists the various trade shows and the number of prospectors attending in the first three years of the program.

## Measures of Success

Prospectors have been enthusiastic in supporting the PAP. Each of the prospector training courses has been filled and many of the graduates have staked claims. Interest in the prospector assistance contributions was so great in 1998 that we could only fund the first 22 applicants of a total of 36. As many as 80 prospectors will have benefited from prospector assistance contributions to work their mineral claims. From

**Table 2.** Location of prospecting courses.

Year	Total Number of Students	Locations of Basic Course	Locations of Advanced Course
1997, Fall	45	Port Hawkesbury, Halifax	Not offered
1998, Spring	63	Sydney, Halifax, Bridgewater	Halifax
1998, Fall	44	Stellarton, Halifax	Not offered
1999, Spring	29	Stellarton, Windsor	Stellarton
1999, Fall	46	Halifax, Sydney, Stellarton	Not offered
2000, Spring	30-50	Halifax, Wolfville, Parrsboro, Sydney	Middle Musquodoboit

**Table 3.** Summary of prospector assistance component applications.

Calendar Year	PAP Year; Fiscal Year	Number of Prospectors	Target Minerals
1997	Year 1, 1997-98	0	Prospector assistance component funding deferred to 1998.
1998	Year 2, 1998-99	22	vein and disseminated gold; paleoplacer gold; kaolin; base metals
1999	Year 3, 1999-00	28	vein and disseminated gold; paleoplacer gold; barite/fluorite; base metals; kaolin
2000	Year 4, 2000-01	26 to 30	vein and disseminated gold; zinc; paleoplacer gold; base metals; kaolin

Table 5 it is clear that prospectors have appreciated the support for marketing their properties. In the first three years of operation, 46 prospectors have received financial assistance to travel to trade shows and market their mineral properties or products.

Another measure of success is how the mineral industry views the properties offered at various trade shows. Companies in Australia, South Africa, United States as well as Canada have expressed interest in the properties marketed by Nova Scotia prospectors either through the book *Properties for Option in Nova Scotia* or at trade shows. Some of the interest has resulted in option agreements.

What does the province get for the modest investment in the PAP? Prospectors locate and define more mineral occurrences and deposits in the province. Their work assists the Nova Scotia Department of Natural Resources to promote the province's mineral potential and geological environments. If just one prospector project goes into production, the amount of capital expenditures for infrastructure, wages, taxes and other benefits will dwarf the modest investment of

\$600 000 by a factor of 100 to 1000.

## Importance of the Program for Nova Scotia

Prospecting is the grass roots of the mineral industry. Without a trained and motivated community of prospectors, many of the mineral deposit discoveries that we need for future production will not be made. In this sense prospectors are the future of the industry.

In Nova Scotia the Prospector Assistance Program is successfully providing training, financial assistance and marketing assistance. We believe, along with our partners, that successful prospecting is essential to the mineral industry. When prospectors succeed in bringing companies to the province for further exploration and development work they are contributing toward economic benefits. If some of these mineral properties are eventually brought into production as mines, then Nova Scotians benefit from the creation of wealth and employment.

**Table 4.** Prospector assistance component projects by region in year 3 (1999-2000).

Prospector's Name	PAP Number	Target Commodity	Property Name
<b>Western Region</b>			
1 Ian Booth	C99-004	Zeolites (Mordenite)	North Mountain
2 Lyndon Jensen	C99-006	Gold	Brookfield Gold District
3 Gary Monett	C99-009	Gold	Blockhouse Gold District
4 Alan Hooper	C99-011	Gold	Whiteburn Gold District
5 John Whiteman	C99-013	Kaolin	Bridgetown area
6 Henry Bent	C99-015	Kaolin and Zeolites	North Mountain in the Bridgetown area
7 John Lindsey Allen	C99-018	Gold	South Shore Gold Districts and adjacent areas
8 Trevor Hayward	C99-024	Gold	Molega Gold District
9 Hubert Burrill	C99-025	Base metals, Gold	Nickersons Point area, Brenton area, Yarmouth County
<b>Central Region</b>			
1 John MacIsaac	C99-001	Base metals and Barite	Cheverie area
2 David Hutchings	C99-002	Base metals and Barite	Cheverie area
3 Joey Collier	C99-005	Gold	South Branch Stewiacke River
4 Curren Jensen	C99-008	Gold	Central Rawdon Gold District
5 Avard Hudgins	C99-014	Base metals (Zinc)	Far Brook, Gays River area
6 Dale Watters	C99-019	Building Stone	Amherst Quarry
7 John McCara	C99-020	Building Stone	Scotsburn Stone quarry
8 Roland Anthony	C99-022	Gold (placer)	Little Meander River
9 Greg Morris	C99-023	Base Metals	Mt. Thom area
<b>Eastern Region</b>			
1 Tony Barrett	C99-006	Kaolin	Brierly Brook
2 Henry Schenkels	C99-010	Gold	North Ogden (Guysborough County)
3 Joe Richman	C99-012	Kaolin	Brierly Brook
4 Ted MacNaughton	C99-021	Gold	Wine Harbour Gold District
5 Gaye Johnson	C99-026	Base Metals, Gold	MacLeod Brook, SE Cape Breton Highlands
6 Diane Smeltzer	C99-027	Andalusite	Lundy, Guysborough County
7 John Burton	C99-028	Gold	Gold Mine Brook near Barachois River, SE Cape Breton Highlands
8 Clayton Fraser	C99-029	Gold	Barachois River, SE Cape Breton Highlands
9 Eric Fraser	C99-30	Gold	Barachois River, SE Cape Breton Highlands
10 Richard Tudor	C98-013	Gold	SE Cape Breton Highlands

**Table 5.** Trade shows attended by prospectors.

<b>Date; PAP Year; Fiscal Year</b>	<b>Location</b>	<b>Trade Show; Types of Properties</b>	<b>Number of Prospectors</b>
January 1998 Year 1 1997-98	Vancouver	British Columbia and Yukon Chamber of Mines's Cordilleran Roundup; disseminated and vein gold	3
March 1998 Year 1 1997-98	Toronto	Prospectors and Developers Association of Canada; paleoplacer gold, vein gold, base metals, rare earths	14
January 1999 Year 2 1998-99	Vancouver	British Columbia and Yukon Chamber of Mines's Cordilleran Roundup; paleoplacer gold, barite/ fluorite, base metals	4
January 1999 Year 2 1998-99	Toronto	Landscape Ontario trade show; various styles and sizes of shaped granite cobbles and granite tiles	1
March 1999 Year 2 1998-99	Toronto	Prospectors and Developers Association of Canada; vein and disseminated gold, base metals, barite	12
June 1999 Year 3 1999-00	Halifax	Municipal Expo; various styles and sizes of shaped granite cobbles and granite tiles	1
January 2000 Year 3 1999-00	Vancouver	British Columbia and Yukon Chamber of Mines's Cordilleran Roundup;	4
March 2000 Year 3 1999-00	Toronto	Prospectors and Developers Association of Canada; vein gold in former gold districts; paleoplacer gold; zinc skarn deposits; sedimentary zinc deposits; base metals.	12

