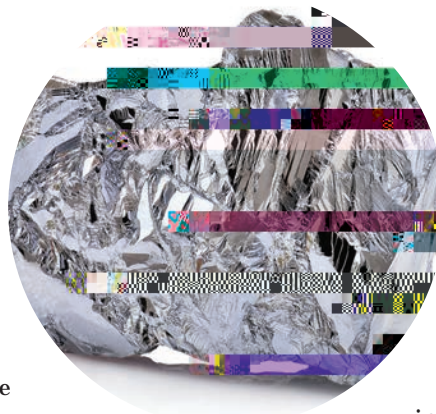


Canadian funding to advance mining's ESG projects

One of the biggest challenges the mining industry faces is securing initial investment as well as sustaining capital throughout the life of a mine. Fortunately, today in Canada, there is now more federal, provincial, and municipal funding available to advance mining projects than ever before. The grant and loan opportunities come from a variety of agencies at both the federal and provincial levels. There are huge opportunities on the table right now.

Given the federal sustainability goals, there is ample opportunity for mining companies to secure funding to meet their decarbonization and energy transition goals. However, it can be difficult to pinpoint available funding opportunities that



critical minerals identified

focus on social elements. In other words, the “S” for “social” in ESG. Mining companies can apply for grants and low interest loans to support strong economic growth, Indigenous partnerships, and communities. This is especially true given the emphasis in Budget 2022 and Budget 2023 on creating a clean economy, creating good middle-class careers, and ensuring economic prosperity.

Let's explore some of the new funding available for the mining industry in Canada.

MIN(E)D YOUR BUSINESS/ESG

Funding for strong economic growth

Thanks to the 2022 Canada Critical Minerals Strategy, there is extra attention on the Canadian mining industry too. The global focus on net-zero and a green economy means the mining industry will need more people.

1 | Youth employment and skills strategy (YESS): The YESS “is the Government of Canada’s commitment to help young people, particularly those facing barriers to employment, get the information and gain the skills, work experience, and abilities they need to make a successful transition into the labour market.” There are multiple funding opportunities within YESS, across 11 federal departments and agencies.

2 | Union training and innovation fund (UTIF): The UTIF, through Employment and Social Development Canada (ESDC), aims to fund innovative approaches to apprenticeship in Red Seal trades. Though this fund closed in late 2022, many affiliated funds with similar objectives are accepting applications.

3 | Jobs and growth fund: This “provides funding to businesses and organizations to help create jobs and position local economies for long-term growth.” Within this fund, Western Economic Diversification Canada has earmarked \$217 million to build resiliency, transition to a green economy, and create jobs.

The future of mining depends on skilled young people choosing a career in mining. The good news is that the industry’s focus on innovation, automation, and sustainability means there are new career paths in mining that did not exist previously.

Funding for Indigenous partnerships

A significant component of the Critical Minerals Strategy is proactively building partnerships with Indigenous communities. For a mining project to proceed, Indigenous connection and consultation is paramount. Here are a few of the several funds available:

1 | Strategic partnerships initiative (SPI): Indigenous Services Canada leads the SPI. Its goal is to “help Indigenous communities participate in complex economic opportunities.” It provides funding for clean energy projects in Indigenous, rural, and remote communities across Canada. These initiatives can span many years, have regional economic impacts, and serve multiple communities.

2 | Climate change and health adaptation program: This program, through Indigenous Services Canada, “is designed to build capacity for climate change and health adaptation by funding community-designed and driven projects.” It supports

initiatives that focus on human health and a changing climate. It also examines areas such as food security, access to safe drinking water, and the impacts of extreme weather events.

3 | First Nations and Inuit summer work experience program: This program “provides youth with summer employment opportunities where they can gain work experience and develop important skills.” These skills include communication, problem-solving, and teamwork. The aim is to allow youth to learn about career options while earning an income. They might also choose to gain a university or college education.

There are many opportunities to build partnerships with Indigenous communities across Canada. This is crucial for every industry, but it is particularly important for the mining sector.

Funding for communities

Connected communities need strong infrastructure, and our modern infrastructure needs mined materials. Beyond traditional infrastructure funding, there are also grants for mining companies to build renewable energy infrastructure. For example, funds exist for or designing charging infrastructure.

1 | Natural infrastructure fund: The NIF has major implications for mining. “The \$200-million Natural Infrastructure Fund supports projects that use natural or hybrid approaches to protect the natural environment, support healthy and resilient communities, and contribute to economic growth and jobs.”

2 | The low carbon economy fund: This fund exists to support “projects that help to reduce Canada’s greenhouse gas emissions, generate clean growth, build resilient communities, and create good jobs for Canadians.” The fund will invest \$2.2 billion over seven years.

Whether a mine is advancing traditional or renewable infrastructure projects, there are likely funds available to support the work.

Finding funds for your mining project

Much of Canada’s sustainability, energy resiliency, economic growth, and domestic manufacturing goals rely on mined materials. In fact, it would be hard to find a project that does not incorporate at least one aspect of strong economic growth, Indigenous partnerships, or communities. Canada’s funding programs and tax incentives can change the game. This is especially true for junior mining companies. As mine operators consider enhancements to existing mines, or even developing a new mine, it would be wise to work with teams who can help. CMJ

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