



Information Sheet 2010-01 Security for Damages

Section 18(1) & (2) Placer Mining Act
Placer Mining Land Use Regulation, Operating Condition #5

Note: This information sheet is not legal advice and should not be relied upon for legal purposes. It is intended to summarize certain aspects of the Placer Mining Act related to mineral rights and, as such, does not attempt to present all aspects of the Act and Regulations. The document may be amended from time to time. For complete information the reader must refer to the Placer Mining Act and its Regulations.

Background

This information sheet provides general background on security with respect to the *Placer Mining Act*.

Security – What is it and when it is required?

Security is an amount of money that is deposited with the Mining Recorder, before a person may enter on land owned or lawfully occupied by another person for mining purposes.

Once an adequate amount of security is decided upon, the person wishing to undertake the mining activity must deposit the full amount with the Mining Recorder before entering or working on another person's property for mining purposes. The security is held in a non-interest bearing account by the Government of Yukon.

How is security determined?

The amount of security is determined by the Mining Recorder, who may consult with both the property owner or occupant and the person(s) working the claim in order to determine the adequate amount of security to be deposited. The amount of security should reflect the proposed scope of the planned mining activity.

Security is determined based upon the type of mining activities planned and related anticipated loss or damage that may occur. Security may be assessed at zero dollars if no activity is planned. Also, security amounts can be reassessed if the scale or type of proposed activity changes. Proper notice to the Mining Recorder and discussion with affected property holders is essential.

In the case of a dispute over the amount of security to be provided, either the claim holder/miner or property owner may apply to the Yukon Surface Rights Board for resolution.

Return of Security

The security is not returned until the mining activity and any required site reclamation is completed, and adequate documentation to verify compliance is submitted to the Mining Recorder.

Persons undertaking mining activity on lands owned or lawfully occupied by another person are legally required to fully compensate the owner or occupant of the land for any loss or damage caused by the mining activity. If there is a dispute about this, the amount of compensation may be determined by the Yukon Surface Rights Board.

Working a Claim next to a House/Dwelling or another Person's Property

Generally speaking, when mining next to another person's property, a person undertaking mining activity does not require the permission of the adjacent property owner to work the claim(s).

That said, if there is a dwelling place within 300m of the work area, no drilling, stripping, trenching or fuel storage may occur in the 300m area without the prior consent of the owner and the occupant of the dwelling place. Activities such as constructing lines and using vehicles on existing roads or trails or establishing small camps may occur without need for prior consent of the owner and occupant of the dwelling place.

In addition, where a class 2, 3 or 4 placer land use activity is proposed, there is an opportunity during the assessment of the activity under the *Yukon Environmental and Socio-Economic Assessment Act* for property owners to voice their concerns and make suggestions regarding placer mining near their property.

Additional Security Requirements

In addition to security that may be required by the Mining Recorders, security may be required in relation to a class 2, 3 or 4 placer land use operation. The amount of security required in this situation is determined by the Chief of Mining Land Use or if it is a class 4 operation and water is to be used, by the Yukon Water Board. Several criteria will be considered in determining if security is required in relation to the land use operation, including past performance of the person undertaking the work, the risk of significant adverse environmental effects and the financial ability of the person.

For more information, contact:

Whitehorse Mining Recorder	867-456-3823
Dawson Mining Recorder	867-993-5343
Mayo Mining Recorder	867-996-2256
Watson Lake Mining Recorder	867-536-7366