Government of Newfoundland and Labrador
DepartmentofEnergy andMines
Office of the Minister

October 30, 2026

Todd Stone
President and CEO
Association for Mineral Exploration
Suite 800 – 889 West Pender Street
Vancouver, BC V6C 3B2
tstone@amebc.ca

Dear Todd Stone:

RE: Support for Expanding Canadian Exploration Expense Eligibility

Thank you for your correspondence regarding the Association for Mineral Exploration's (AME) proposal to the Government of Canada to expand eligibility under the Canadian Exploration Expense (CEE) framework.

Newfoundland and Labrador has diverse and significant mineral resources, with opportunities for the exploration and development of critical minerals, precious metals, and other mineral commodities. Encouraging mineral exploration, attracting investment, and advancing responsible mineral development remain important priorities for the Provincial Government.

Through initiatives such as the Mineral Incentive Program, including Junior Exploration Assistance, the Provincial Government provides support to encourage mineral exploration and advance mineral discoveries. These investments play an important role in strengthening the Province's mineral exploration sector and building a pipeline of potential development opportunities.

While existing federal tax incentives play an important role in supporting mineral exploration, advancing a mineral discovery toward development requires substantial additional investment. Engineering, feasibility studies, environmental baseline programs, and other technical assessments are essential to determining whether a project can proceed toward construction and operation. These activities are necessary to identify and assess technical, economic, and environmental risks, reducing uncertainty and providing the information to support informed investment decisions. Access to financing for this work can present a significant challenge, particularly for junior exploration companies.

The Government of Newfoundland and Labrador recognizes the importance of addressing this gap and supports AME's efforts to expand eligible activities under the CEE framework to include qualifying project-advancement costs, or alternatively, to establish a dedicated Mineral Project Advancement Tax Credit.

Improving access to financing for these activities would complement existing provincial exploration supports and help more mineral discoveries in Newfoundland and Labrador and across Canada progress toward development. Advancing critical mineral projects could also contribute to strengthening domestic supply chains, supporting Canada's economic security, and meeting growing demand for minerals essential to advanced manufacturing, energy technologies, and national defence. These developments could support continued investment in Newfoundland and Labrador's mineral sector and create additional opportunities for economic growth and employment, particularly in rural communities throughout the Province.

We appreciate AME's continued advocacy on behalf of Canada's mineral exploration and development sector and its efforts to bring attention to this important issue.

Sincerely,

HON.LLOYDPARROTT, MHA
DistrictofTerra Nova
Minister