



Keeping the “Know” in Nova Scotia: The facts about mining royalties

- Royalties refer to the payments mining companies make to governments for the extraction of mineral resources.
- Royalties are seen as a way to compensate the government and the public for the removal of these non-renewable resources.
- Most governments around the world calculate royalties based on production volume and the cost of the mineral that was mined. Nova Scotia follows a different process.
- In Nova Scotia, the royalty amount is based on the mine's *net* revenue, not its *gross* revenue. To lower the net revenue calculation a variety of deductibles are taken away before the royalty cost is calculated. This form of calculation is rare globally and results in lower royalty revenues in Nova Scotia than other jurisdictions.
- The *Mineral Resources Act* sets the royalty rates for various minerals in Nova Scotia. For example, for mined gold, the royalty rate is "1% of the net value received by the producer."
- In the autumn of 2023, the Province of Nova Scotia announced that it was in the process of reevaluating the regulations around royalty rates, proposed a potential new rate of two per cent of net revenues for minerals.
- As of spring 2025, the Province has not yet made any official changes to royalty rates.

For the full fact sheet and reference list please visit:
ecologyaction.ca/Keeping-theKnow-in-NS

