# PDAC Welcomes Two-Year Renewal of the METC in Budget 2025

written by Raj Shah | November 5, 2025

November 5, 2025 (Source) – The Prospectors & Developers Association of Canada (PDAC) welcomes the Government of Canada's renewal of the Mineral Exploration Tax Credit (METC) for two years in Budget 2025. This move strengthens Canada's competitive position, helps rebuild momentum in exploration, and sets the stage for the discoveries and project pipelines needed in the years ahead.

Created in 2000, the METC has been a centrepiece of Canada's mineral investment ecosystem. Working with the flow-through share mechanism, it channels high-risk, early-stage capital to grassroots exploration across the country. With no direct outlay of public money, the METC mobilizes hundreds of millions in private investment, supports jobs and delivers tax revenues in communities nationwide.

"Today's renewal of the METC is the right move at the right moment," said Karen Rees, PDAC President. "It restores confidence, signals that Canada intends to compete for exploration capital, and will help drive the discoveries that feed our supply chains. This decision supports jobs and partnerships in rural, remote and Indigenous communities and lays the groundwork for a stronger, more resilient Canadian economy."

Throughout 2025, PDAC has warned that Canada's mineral ecosystem has been under strain, with investment leaving our markets and links between new discoveries and supply chains weakening. Today's renewal helps steady that system by keeping risk capital flowing to early-stage programs and sustaining the pipeline of

projects needed for future mines. With permitting and development measured in years, durable policy matters. PDAC will continue to urge a long-term METC commitment to provide certainty, safeguard investment and secure enduring economic opportunities across the country.

PDAC also commends the government for expanding eligibility of the Critical Mineral Exploration Tax Credit (CMETC) to 12 additional minerals and committing $2 billion to establish a critical minerals sovereign fund.

“We are encouraged that the government recognizes the importance of driving investment into exploration and development,” said Rees. “These measures will better position Canada to discover the minerals needed to spur growth, bolster national security and play a strong role with our allies.”

**Background**

- PDAC recommended a minimum 10-year METC extension to provide market certainty for issuers and investors. While today’s two-year renewal is welcome, longer-term certainty remains a priority to keep Canada a leader in mineral financing. Read PDAC’s Budget 2025 recommendations.
- The METC/flow-through combination is uniquely effective at mobilizing high-risk, early-stage exploration investment, activity that must be revitalized to maintain a strong pipeline of future Canadian mines.

**About PDAC**

The Prospectors & Developers Association of Canada (PDAC) is the leading voice of the mineral exploration and development community, an industry that employs more than 724,000 individuals, and contributed $156 billion to Canada’s GDP in

2024 (Natural Resources Canada, February 2025). Currently representing over 8,200 members around the world, PDAC's work centres on supporting a competitive, responsible, and sustainable mineral sector. PDAC 2026, our 94th annual convention, will take place in Toronto, Canada from March 1-4. Please visit pdac.ca for more information.

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