

REPORT OF MAURICE HERAUF, K.C SASKATCHEWAN CONFLICT OF INTEREST COMMISSIONER

RE: JEREMY COCKRILL
MEMBER FOR THE BATTLEFORDS
HELIUM EVOLUTION AND ROYAL HELIUM

REGINA, SASKATCHEWAN DECEMBER 16, 2024

Opinion of the Conflict of Interest Commissioner for Saskatchewan

In the matter of the Member for the Battlefords, Jeremy Cockrill (Helium Evolution and Royal Helium)

I. INTRODUCTION

On May 17, 2024, I received a written request from the Member for Regina Elphinstone-Centre, Ms. Meara Conway, seeking my opinion respecting whether the Member for the Battlefords, the Honourable Mr. Jeremy Cockrill, ¹ had contravened various sections of *The Members' Conflict of Interest Act*, SS 1998, c M-11.11 [*Act*]. Ms. Conway articulated her allegations against Mr. Cockrill in that letter as follows:

According to Mr. Cockrill's 2022 disclosure, he invested in Helium Evolution and Royal Helium while a member of cabinet. These particular investments raise questions given government initiatives to develop Saskatchewan's helium industry, as well as ongoing government contracts with these companies. In late 2021, the Minister of Energy and Resources at the time announced a helium action plan to expand the helium industry into 2030. Since then, the government of Saskatchewan has granted helium permits to both Helium Evolution and Royal Helium and it appears, works closely with both companies to grow the sector. Helium Evolution recently participated in a conference together with the Minters of Energy and Resources, and Trade and Export Development in an effort to attract additional investment to the industry. According to Helium Evolution's 2023 year end Financial report, the company has "significant land holdings in Saskatchewan's 'helium fairway' having been granted helium permits by the Government of Saskatchewan covering 5.6M acres of land." The attached comments made by the then Minister of Energy and Resources introducing Royal Helium and Royal Evolution at the Legislative Assembly speak to the existence of contracts with the Government of Saskatchewan, as well as an ongoing close collaboration between the government and these companies. Having reviewed various government announcements, as well as information released by the respective companies, these contracts (permits and leases) and the collaborative relationship all appear to be ongoing.

While there is no issue with the government working with private partners to develop industries, I was surprised to see a cabinet minister had invested in two of the main companies that the Government of Saskatchewan appears to be closely partnering with to build up the helium industry. I have reviewed other disclosures. As far as I could tell, no other Member of the Legislative Assembly has invested in these companies, let alone a cabinet minister. As this new sector develops, the government has and will continue to make decisions around the terms of leases, the awarding of permits,

At that time, Mr. Cockrill was the Minister of Education. He is now the Minister of Health.

royalty structures, and the overall regulation of the sector. In addition to the potential issues raised under section 15, this situation also raises concerns under both sections 9 and 10. Did Mr. Cockrill recuse himself from any and all discussions at the cabinet table regarding regulation, legislation, policy, and the overall development regarding this area as per section 10? Did he seek any opinion in advance? Is this a situation that is captured under section 9? If so, is a "disclose and recuse" approach sufficient given that section 9 speaks to the perception of conflict as well? Depending on the determination of facts in this case, it also appears section 3 of the Act should be considered as part of any analysis.

The apparent problem with Mr. Cockrill 's investment in these private companies on the one hand, and his membership in cabinet on the other, is perhaps no more clearly demonstrated than at page 12 of Helium Evolution's 2023 Q4 and most recent Financial Report. This portion appears under the heading "Risks and Uncertainties":

Without limiting the generality of the foregoing. on November I 0, 2023 the Ministry of Energy and Resources of the Government of Saskatchewan released a discussion paper entitled Establish a Modernized Helium and Brine Mineral Tenure System (the "Discussion Paper"). The Discussion Paper proposes several changes to the current regulatory framework in Saskatchewan which may have a negative effect on the Company and its business, if adopted. At this time no changes proposed in the Discussion Paper have been enacted.

Saskatchewan people deserve to have confidence that it is the public interest that is guiding their government's regulation of resource industries, not the potential for private gain in any implicated private company. Mr. Cockrill 's dual roles - as both a decision maker in cabinet, as well as a private investor who stands to privately benefit if these companies succeed and suffer private losses if they falter - speaks directly to a likely conflict of interest.

After providing Mr. Cockrill with an opportunity to make submissions on this request and Ms. Conway with an opportunity to respond to those submissions, I advised Ms. Conway and Mr. Cockrill on July 26, 2024 that Ms. Conway had satisfied the s. 29 threshold requirement of having "reasonable and probable grounds" to believe that Mr. Cockrill is in contravention of ss. 3 and 15 of the *Act*.² I also advised Ms. Conway and Mr. Cockrill that I would be conducting an inquiry pursuant to s. 30(1) of the *Act* in order to prepare my opinion pursuant to s. 29(1).

² I note that Ms. Conway had withdrawn her request for an opinion respecting s. 9 of the *Act* prior to that time.

II. EXECUTIVE SUMMARY

For the reasons below, it is my opinion that Mr. Cockrill has not committed the breaches of the *Act* alleged by Ms. Conway.

First, s. 3 of the *Act* establishes that a Member has a conflict of interest where a Member (i) makes or participates in making a decision in the execution of their office; and (2) at the same time, knows that in the making of that decision, there is the opportunity to further their "private interest", their family's "private interest" or the "private interest" of an associate. I accept that Mr. Cockrill has not participated in any discussions or decision-making specific to Helium Evolution or Royal Helium. That said, Mr. Cockrill has attended Cabinet meetings where the helium sector has been discussed and has not recused himself from those discussions. However, I find that Mr. Cockrill's participation in Cabinet discussions about the helium sector falls within the exceptions to "private interest" set forth in s. 2(1)(h) of the *Act*. I am therefore satisfied that no conflict of interest within the meaning of s. 3 of the *Act* has arisen.

Second, s. 15(5) of the *Act* prohibits all Members from "participating" in "government contracts" unless doing so is specifically permitted by the *Act* or another statute. A Member participates in a government contract where Member is a shareholder, partner, director, manager, or officer of, or has an interest in, a business that is, or has a right to become, a party to or beneficially interested in a government contract.

I conclude that Mr. Cockrill has not breached this provision. I am satisfied that the helium permits and leases granted to Helium Evolution and Royal Helium amount to government contracts, and I am satisfied that Mr. Cockrill has "participated" in those contracts within the meaning of the *Act.* However, the regulations create an exception to the s. 15 prohibition on participation where the permits are issued on standard terms and conditions that are made available to the public. I find that this exception applies to the helium permits and leases granted to Helium Evolution and Royal Helium. Because this exception applies, s. 15(5)(6) of the *Act* means that the prohibition in s. 15(5) does not apply and Mr. Cockrill has not contravened the *Act*.

III. JURISDICTION

Ms. Conway's request for my opinion was pursuant to section 29 of the *Act*, which reads as follows:

Referral of opinion

29(1) A member who has reasonable and probable grounds to believe that another member is in contravention of this Act may request, by application in writing setting out the grounds for the belief and the nature of the contravention alleged, that

the commissioner give an opinion respecting the compliance of the other member with the provisions of this Act.

My mandate under s. 29 of the *Act* is focused on whether Mr. Cockrill is in contravention of the *Act*. More specifically, given the allegations advanced in Ms. Conway's s. 29(1) request, this opinion is focused solely on whether Mr. Cockrill contravened ss. 3 and 15 of the *Act*. For example, there is no allegation before me that Mr. Cockrill did not comply with his disclosure obligations under the *Act*. Nor is there any allegation before me that Mr. Cockrill used inside information contrary to s. 4.

IV. INVESTIGATION

To prepare my opinion I interviewed, or caused to be interviewed, all persons who I determined might have any relevant information regarding the issues raised and I secured from them copies of all relevant documents. I also provided a summary of this investigation to Mr. Cockrill and, upon receiving comments and additional documents from Mr. Cockrill on that summary, considered those comments and documents.

V. FACTS

As a result of my investigation, I have determined the following relevant facts.

A. General Background

Mr. Cockrill is the Member for the Battlefords and was elected to that position in October 2020. Mr. Cockrill has held a Cabinet position since May 2022. He was appointed to Cabinet as the Minister of Highways and Minister responsible for Water Security Agency at that time. At the end of August 2023, he was asked to serve as the Minister of Education and continued in that role at the relevant time.

B. Shares in Helium Evolution and Royal Helium

Mr. Cockrill currently owns shares in Helium Evolution. Helium Evolution is a helium exploration, drilling and process entity. It is typically involved in various phases of the supply chain. Mr. Cockrill's purchases and sales of shares in Helium Evolution are summarized as follows:

- April 25, 2022: Purchase of 2,500 shares for 0.32 CAD each
- June 14, 2022: Purchase of 2,500 shares for 0.39 CAD each
- August 2, 2022: Purchase of 1,500 shares for 0.3 CAD each
- December 30, 2022: Purchase of 3,500 shares for 0.23 CAD each
- October 10, 2022: Purchase of 10,000 shares for 0.12 CAD each
- November 23, 2022: Purchase of 2,500 shares for 0.13 CAD each
- January 23, 2024: Purchase of 2,500 shares for 0.23 CAD each
- March 25, 2024: Purchase of 10,000 shares for 0.17 CAD each
- April 17, 2024: Purchase of 5,000 shares for 0.195 CAD each
- April 30, 2024: Purchase of 3,000 shares for 0.16 CAD each
- May 9, 2024: Purchase of 7,000 shares for 0.185 CAD each

- June 5, 2024: Purchase of 10,000 shares for 0.155 CAD each
- July 5, 2024: Purchase of 15,000 shares for 0.105 CAD each

Notably, two of these purchases occurred <u>after</u> Ms. Conway brought forward her request for an opinion respecting Mr. Cockrill's ownership of shares in Helium Evolution. After those recent purchases, Mr. Cockrill now owns 75,000 shares in Helium Evolution with an approximate value of \$9,000.

Mr. Cockrill previously owned shares in Royal Helium, but no longer owns these shares. Royal Helium is a similar entity to Helium Evolution. Mr. Cockrill's purchases and sales of shares in Royal Helium are summarized as follows:

- November 15, 2022: Purchase of 5,000 shares for 0.24 CAD each
- November 23, 2023: Sale of 2,000 shares for 0.22 CAD each
- November 24, 2023: Sale of 3,000 shares for 0.22 CAD each

I accept that Mr. Cockrill has not purchased any further Royal Helium shares since selling his remaining shares for \$1,100 on November 24, 2023.

Mr. Cockrill held and holds these shares in his TFSA account with BMO. That account is self-managed and these shares account for 10-15% of his TFSA account.

Mr. Cockrill initially decided to invest in Helium Evolution in April 2022. Mr. Cockrill described himself as a "nerd" about Saskatchewan news, and stated that he saw an opportunity in the helium sector. He expected Saskatchewan to become a fairly significant production center for helium so he did research on who was involved and thus became aware of Helium Evolution. He then purchased shares in Royal Helium later that year because he had bought Helium Evolution too high, and he wanted to spread his investment over multiple entities in the sector. Mr. Cockrill also continued to buy Helium Evolution shares as time went on because he had bought "too high" initially and he was trying to "average down" to bring his overall share price into alignment with where the share price is.

Mr. Cockrill then sold his Royal Helium shares in November 2023. He advised that near year-end, he withdraws money from his TFSA to cover personal needs and/or to make a different investment in a different security. He did not recall why he sold these shares at that point specifically but noted he had purchased Helium Evolution shares the same day.

C. Relationship between Companies and Government

Helium Evolution and Royal Helium have both received helium permits from the Government of Saskatchewan. For example, the Annual and Q4 2023 Management Discussion and Analysis document for Helium Evolution states that Helium Evolution has received helium permits from the Government covering 5.6 million acres of land. That document also indicates that Helium Evolution has expended capital on helium permits dating back to the year ending December 31, 2022.

Mr. Cockrill is aware that Royal Helium and Helium Evolution have helium permits and leases with the government. As a shareholder, he states that he expects that they have the proper permits and leases to carry out their activities. However, he has no active knowledge regarding whether they actually have these permits or leases, or about the nature of those permits or leases. He does not have any investor documents in his possession, and has not reviewed the documents that either company sent to him by email.

Mr. Cockrill has not been involved in negotiating any agreements between the government and helium companies. Nor has Mr. Cockrill been involved in discussing or deliberating whether to grant any helium licenses or permits.

D. Participation in Cabinet

As a member of Cabinet, Mr. Cockrill regularly attends Cabinet meetings. These meetings are held every week while the Legislature is in session and every two to three weeks outside of that.

The helium industry has been discussed during Cabinet meetings Mr. Cockrill has attended. Mr. Cockrill stated that a wide range of sectors are discussed during Cabinet, including potash, oil and gas and helium. Mr. Cockrill states, and I accept, that he has not recused himself when the helium sector is discussed. Mr. Cockrill has not been involved in any discussions about helium leases or helium permits. Instead, the discussions he has been involved in relate to "industry incentives".

During Cabinet meetings, there have been a "couple of times" when Royal Helium or Helium Evolution have been specifically named on the agenda for Cabinet. Mr. Cockrill advises that he reviews the agenda in advance and then, if he sees one of his holdings specifically mentioned, he goes to the secretary before the meeting and tells them that he needs to leave the room for that specific item. I accept Mr. Cockrill's evidence that he has recused himself for discussions specific to Helium Evolution and Royal Helium and confirm that recusal in these circumstances is not only appropriate but mandated by s. 10.

E. The Helium Action Plan

In late 2021, the Minister of Energy and Resources announced a "helium action plan" to expand the helium industry in Saskatchewan into 2030 (the "**Helium Action Plan**"). Mr. Cockrill was not a member of Cabinet at that time and had no involvement with the decision to develop or implement the Helium Action Plan.

While Mr. Cockrill had no initial involvement with the Helium Plan, Mr. Cockrill has been involved with the Helium Action Plan since becoming a Cabinet minister. The Helium Action Plan has come to Cabinet twice during his tenure, and he did not recuse himself from those discussions. Mr. Cockrill states, and I accept, that he did not recuse himself because neither Helium Evolution nor Royal Helium were specifically identified in the Cabinet agenda item.

VI. THE LAW

The relevant sections of the Act for the purposes of my opinion are as follows:

Interpretation

2(1) In this Act:

. . .

- (a) "associate" means, with respect to a member:
 - (i) a corporation having share capital and carrying on business or activities for profit or gain, where the member is a director or senior officer of the corporation;
 - (ii) a private corporation carrying on business or activities for profit or gain, where the member owns or is the beneficial owner of shares of the corporation;
 - (iii) a partnership having not more than 20 persons:
 - (A) of which the member is a partner; or
 - (B) of which one of the partners is a corporation directly associated with the member by reason of subclause (i) or (ii);
 - (iv) a person or group of persons acting as the agent of the member and having actual authority in that capacity from the member;
- (b) "business" means a corporation, proprietorship, partnership or other association of persons;
- (d) "Crown" means the Crown in right departments, Saskatchewan and includes offices of the Government of secretariats and Saskatchewan and Crown corporations, including corporations which the Government of Saskatchewan owns a majority of shares;

- (e) "family", with respect to a member, means the member's spouse and dependent children;
- (g) "member" means:
 - (i) a member of the Assembly; or
 - (ii) a member of the Executive Council;
- (h) "private interest" does not include an interest in a decision:
 - (i) that is of general public application;
 - (ii) that affects a person as one of a broad class of persons; or
 - (iii) that concerns the remuneration and benefits of a member or an officer or employee of the Assembly;

Conflict of interest

3 For the purposes of this Act, a member has a conflict of interest when the member makes a decision or participates in making a decision in the execution of his or her office and at the same time knows that in the making of the decision there is the opportunity to further his or her private interest, his or her family's private interest or the private interest of an associate

Prohibition of participation in government contracts

- **15**(1) In this section and in sections 16 and 17, "government contract" means a contract entered into with the Crown for any purpose, and includes any contract for:
 - (a) the supply to or by the Crown of any goods or services;
 - (b) the sale, lease or other disposition of any real property to or by the Crown;

- (c) the construction of any public work for the Crown;
- (d) the determination of compensation or damages with respect to real property taken, damaged or purchased by the Crown;
- (e) the determination of compensation or damages to be paid by the Crown in cases not provided for in clause (d); or
- (f) the lending of moneys to or by the Crown.
- (2) Notwithstanding subsection (1), a government contract does not include any contract that gives rise to the status of those persons described in section 11 of The Legislative Assembly and Executive Council Act.
- (3) In this section and in sections 16 and 17, a member participates in a government contract where the member:
 - (a) is, or has a right to become, in the member's personal capacity, a party to or beneficially interested in the contract; or
 - (b) is a shareholder, partner, director, manager or officer of, or has an interest in, a business that:
 - (i) is, or has a right to become, a party to or beneficially interested in the contract; or
 - (ii) has a subsidiary which is, or has a right to become, a party to or beneficially interested in the contract.
- (4) For the purpose of this section, a creditor of a business whose indebtedness was incurred other than in the ordinary course of trade has an interest in that business to the extent of that indebtedness.
- (5) Except as specifically provided in this or any other Act, no member shall participate in a government contract.
- (6) The prohibition in subsection (5) does not apply to:
 - (a) a government contract that is not subject to the discretion of any individual, where the standard terms and conditions of eligibility are objective in nature and are prescribed in an Act or regulation; or

(b) a government contract that is exempted by the regulations from the application of this section.

There also exist s. 3 of *The Members' Conflict of Interest Regulations*, RRS c M-11.11 Reg 1 (now repealed) [*Repealed Regulations*] and s. 3 *The Members' Conflict of Interest Regulations*, 2022, RRS c M-11.11 Reg 2 [*New Regulations*], both of which establish exceptions to what constitutes a prohibited government contract under the *Act*.

VII. DISCUSSION

With the above in mind, I turn to the allegations against Mr. Cockrill specifically. In so doing, I again note that I have considered the legal submissions provided by Mr. Cockrill's legal counsel on November 1, 2024 (with a revised version provided November 4, 2024).

A. The Role of Disclosure

Before addressing the alleged contraventions of ss. 3 and 15 of the *Act*, I am compelled to comment on how disclosure impacts this opinion. Mr. Cockrill's counsel has suggested that Mr. Cockrill has disclosed his shareholdings in Helium Evolution and Royal Helium in his Public Disclosure Statements. I agree.

Where I disagree with Mr. Cockrill's counsel is the <u>impact</u> of that disclosure. Disclosure does not immunize a Member from being in contravention of the *Act*. This is particularly so here because Mr. Cockrill's Public Disclosure Statements do not identify any relationship between Helium Evolution and Royal Helium and the Government of Saskatchewan. They indicate only that these shareholdings exist.³

Therefore, and to be clear, this opinion is not about whether Mr. Cockrill properly disclosed his shareholdings in Helium Evolution and Royal Helium. It is about whether those shareholdings give rise to breaches of ss. 3 and 15 of the *Act*.

B. Did Mr. Cockrill Have A Conflict of Interest Within the Meaning of Section 3 of the *Act*?

I will first address whether Mr. Cockrill has a conflict of interest within the meaning of s. 3 of the *Act*. Section 3 establishes that a Member has a conflict of interest where a Member:

- 1) makes or participates in making a decision in the execution of their office; and
- 2) at the same time, knows that in the making of that decision, there is the opportunity to further their private interest, their family's private interest⁴ or the private interest of an associate.

³ Nor did Mr. Cockrill identify the Government's interest in the helium sector or the existence of helium permits during any meeting with my office.

⁴ For the purposes of this provision, "family" is defined as the Member's spouse and dependent children: s. 2(1)(e).

As noted above, I accept that Mr. Cockrill has not participated in any discussions or decision-making specific to Helium Evolution or Royal Helium. Therefore, the real question I must answer is whether Mr. Cockrill's participation in Cabinet meetings about the helium sector gives rise to a conflict of interest within the meaning of s. 3.

On this point, Mr. Cockrill's evidence is that he has attended Cabinet meetings where the helium sector has been discussed – and he has not recused himself from those discussions. Further, the Helium Action Plan has come before Cabinet twice during his time in Cabinet; Mr. Cockrill stated, and I accept, that he did not recuse himself from those discussions because neither Helium Evolution nor Royal Helium were specifically identified in the Cabinet item.

Mr. Cockrill's counsel argue that no conflict of interest arises on these facts. They suggest that his participation in public policy discussion related to the development of the helium industry in Saskatchewan or the mining and resource sector falls within the exceptions to "private interest" set out in s. 2(1)(h) of the *Act*. I agree.

As Mr. Cockrill's counsel points out, s. 3 specifically applies only where the decision gives rise to an opportunity to further a Member, their family or their associate's "private interest". There is no definition in the Act respecting what constitutes a "private interest". However, s. 2(1)(h) establishes that "private interest" <u>excludes</u> an interest in a decision that (i) is of general public application; (ii) affects a person as one of a broad class of persons; or (iii) concerns the remuneration and benefits of a member or an officer or employee of the Assembly. The focus is on the nature of the decision; where the decision itself relates to (i) - (iii), no "private interest" within s. 3 exists.

Applying s. 2(1)(h) to the facts before me, I find that any discussions Mr. Cockrill participated in fall within the exclusions to "private interest". Putting aside the issue of whether there was a "decision" at all, the reality is that all discussions were of general public application as they related to the helium sector in Saskatchewan writ large. I therefore find that s. 2(1)(h)(i) applies given that any "decision" was of general public application. Accordingly, I am satisfied that no conflict of interest within s. 3 has occurred.

C. Did Mr. Cockrill Participate in a Government Contract?

I then turn to whether Mr. Cockrill has participated in government contracts contrary to s. 15 of the *Act*.

To make this decision, I must first consider whether there exist "government contracts" involving either Helium Evolution or Royal Helium. I am satisfied that the helium permits and leases granted to Helium Evolution and Royal Helium amount to government contracts at law. Mr. Cockrill's counsel have not argued otherwise.

Having concluded that there exist government contracts involving Helium Evolution and Royal Helium, I then must address whether Mr. Cockrill has "participated" in those contracts within the meaning of s. 15. What constitutes "participation" in a government contract for the purposes of the *Act* is defined in s. 15(3). That subsection provides:

- (3) In this section and in sections 16 and 17, a member participates in a government contract where the member:
 - (a) is, or has a right to become, in the member's personal capacity, a party to or beneficially interested in the contract; or
 - (b) is a shareholder, partner, director, manager or officer of, or has an interest in, a business that:
 - (i) is, or has a right to become, a party to or beneficially interested in the contract; or
 - (ii) has a subsidiary which is, or has a right to become, a party to or beneficially interested in the contract.

Broken down, a Member "participates" in a government contract where the Member:

- a) is a party to or beneficially interested in the contract in their personal capacity;
- b) has a right to become a party to or beneficially interested in the contract in their personal capacity;
- c) is a shareholder of a business that is (or has a right to become) a party to or beneficially interested in the contract or has a subsidiary that is (or has a right to become) a party to or beneficially interested in the contract;
- d) is a partner of a business that is (or has a right to become) a party to or beneficially interested in the contract or has a subsidiary that is (or has a right to become) a party to or beneficially interested in the contract:
- e) is a director of a business that is (or has a right to become) a party to or beneficially interested in the contract or has a subsidiary that is (or has a right to become) a party to or beneficially interested in the contract;
- f) is a manager of a business that is (or has a right to become) a party to or beneficially interested in the contract or has a subsidiary that is (or has a right to become) a party to or beneficially interested in the contract;
- g) is an officer of a business that is (or has a right to become) a party to or beneficially interested in the contract or has a subsidiary that is (or has a right to become) a party to or beneficially interested in the contract; or
- h) "has an interest" in a business that is (or has a right to become) a party to or beneficially interested in the contract or has a subsidiary that is (or has a right to become) a party to or beneficially interested in the contract.

I accept that Mr. Cockrill is not himself a party to or beneficially interested in the contracts. I also accept that he is not a partner, director, manager, or officer.

⁵ Note that s. 15(4) provides that a creditor has "an interest in that business" where the indebtedness was "incurred other than in the ordinary course of trade" to the extent of that indebtedness.

However, s. 15(3)(b) of the *Act* clearly establishes that a Member "participates" in a government contract where that Member is a shareholder of a business that is or has the right to become a party to or beneficially interested in the government contract. It is undisputed that Mr. Cockrill has been a shareholder of Helium Evolution since April 25, 2022 and was a shareholder of Royal Helium until from November 15, 2022 to November 24, 2023. I therefore conclude that Mr. Cockrill "participated" in government contracts within the meaning of s. 15 of the *Act* from April 25, 2022 to present day.

Yet that is not the end of the matter. As I will now address, it is my view that Mr. Cockrill did not contravene s. 15(5) of the *Act* given the application of s. 15(6)(b).

D. If Mr. Cockrill Participated in a Government Contract, Does an Exception Apply?

Given my conclusion that Mr. Cockrill participated in government contracts within the meaning of s. 15 of the *Act*, I therefore turn to whether any exceptions apply.

Mr. Cockrill's counsel first invoked the exception in s. 3(i) of the *New Regulations*. They suggest that the helium permits are issued on standard terms and conditions made available to the public pursuant to *The Crown Minerals Act*, SS 1984-85-86, c C-50.2 and *The Oil and Gas Tenure Registry Regulations*, RRS c C-50.2 Reg 31 [*Oil and Gas Regulations*], such that this exception applies.

I agree. Section 3(g) of the New Regulations states:6

Exemption from section 15 of Act

3 The following government contracts are exempted from the application of section 15 of the Act:

(g) a licence or permit that is issued on standard terms and conditions that are made available to the public;

Therefore, where a license or permit is (a) issued on standard terms and conditions, and (b) those terms and conditions are made available to the public, that license or permit is not subject to the prohibition in s. 15(5) of the *Act*: s. 15(6)(b).

In the present case, I am satisfied that the helium permits issued to Helium Evolution and Royal Helium fall within this exception. Persons may apply to the Minister of Energy and Resources for a helium permit pursuant to s. 6-2(1) of the *Oil and Gas Regulations*. The Minister may then issue a helium permit where satisfied that the applicant complied with the requirements in their application and submitted the appropriate application fee: *Oil and Gas Regulations*, s. 6-4(1). Section 6-6 then sets out the terms of the permits,

⁶ The same language is repeated in s. 3(i) of the *Old Regulations*, which were in effect during part of the relevant time period.

including the exclusive right to explore the permitted lands for helium. Consequently, I am satisfied that the helium permits are permits that are issued on standard terms and conditions that are made available to the public such that s. 3(g) of the *New Regulations*⁷ and s. 15(6)(b) of the *Act* apply. Because these apply, I conclude that Mr. Cockrill has <u>not</u> contravened s. 15(5) because that prohibition against participation does not apply.

Finally, I note that Mr. Cockrill's counsel also invoked s. 15(6)(a) of the *Act*. They suggest that the helium permits are not subject to the discretion of any individual, have objective standard terms and conditions of eligibility and are prescribed in the *Oil and Gas Regulations*. I am not prepared to make that finding on the evidence before me. I particularly note that s. 6-6(5)(b)(ii) of the *Oil and Gas Regulations* contemplates that the Minister may impose other terms and conditions than those prescribed. Absent evidence respecting those other terms and conditions, it appears that there may yet exist discretion on the part of the Minister. Consequently, I am not satisfied that s. 15(6)(a) applies at this point.

VIII. OPINION

Based on the above, it is my opinion that Mr. Cockrill has not contravened ss. 3 or 15 of the *Act*.

Dated at the City of Regina, in the Province of Saskatchewan, this 16th day of December, 2024.

The Honourable Maurice Herauf, K.C.

Conflict of Interest Commissioner for the Province of Saskatchewan

M. Herang

⁷ To the extent necessary, I also find that s. 3(i) of the *Old Regulations* applies.