



**Background:**

Mining companies in Alaska need to be aware of some pitfalls that may affect any mineral rights they acquire. Companies which are incorporated must be “qualified” under Alaska Statute 38.05.190 to acquire mineral rights on state-owned land in the State of Alaska. **This would include acquiring mineral rights under the act of location (AS 38.05.195) or acquiring mineral rights through transfer of ownership (AS 38.05.270).**

To qualify for the right to acquire exploration and mining rights under AS 38.05.185-.275, corporations and LLCs must be organized under the laws of the United States, or of any state or territory of the United States, and **must be qualified to do business in the state of Alaska.**

An Alaskan Corporation or LLC is considered “qualified” under AS 38.05.190(b)(5) if the company submits to the Division their Alaska “Articles of Incorporation” and have paid the established fees and taxes. A non-Alaskan U.S. Corporation or LLC is considered qualified if it has acquired a “Certificate of Authority” from the Alaska Department of Commerce, Community and Economic Development, Corporations Section, and has paid established fees and taxes.

In addition, Alaskan and U.S. Corporations and LLC’s need to file required biennial reports in order for the Corporation or LLC to remain in good standing in Alaska. Put simply, a corporation locating mineral rights (claims, leasehold locations or prospecting sites) must be qualified to conduct business in the State of Alaska **prior to establishing locations** under state mining law; **otherwise the locations are voidable.**

However, unqualified corporations that acquire mineral rights “by operation of law” shall be allowed two years in which to become qualified. This would include corporations acquiring mineral rights through a corporate merger process.

These requirements are *important* for companies to remember. Corporations organized under the laws of other countries must form an Alaskan or US Corporation prior to acquiring mineral rights. Mineral title flaws involving qualification may be avoided by keeping your corporation certification active. Information on how corporations become certified may be obtained from the Alaska Department of Commerce, Community and Economic Development, Corporations Section.

**For Qualification Application Information, contact:**

Alaska Department of Commerce,  
Community and Economic Development  
Division of Corporations, Business and  
Professional Licensing

Website:

<https://www.commerce.alaska.gov/web/cbpl/Corporations.aspx>

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