Comments on the Consultation Paper on NI 43-101 Provisions

Greetings:

I have been a geologist working industrial minerals exploration, valuation, and mining for more than 55 years in the US, Yukon Territory and New Brunswick. As part of my review process over the past 20 years I have followed the development of NI 43-101 and the similar SME guidelines here in the states. These documents provide my guidance for conducting greenfield studies for clients or due diligence reviews for property transactions.

I agree totally with your summary of deficiencies in the disclosure requirements. I have experienced them all in my due diligence reviews.

I have several specific comments from my experiences that are offered as process improvement.

Qualified Person Designation:

As a member of the “old guard” I suggest that the 5-year requirement should be increased and have provisions that require a listing of projects and similar experience to provide more assurance of expertise.

Supporting Team:

I suggest more details be presented on the team of professionals supporting the QP. A QP with minimum experience should be required to demonstrate the information gathering was done by qualified individuals or groups.

Technical Report Audience:

I have spent my career explaining geoscience and geotechnical information to clients, investors, attorneys, students, and the public. Your document states the issue succinctly.

The intended audience of a technical report is the investing public and their advisors who, in most cases, will not be mining experts. The technical report should include sufficient context and cautionary language to allow a reasonable investor to understand the nature, importance and limitations of the data, interpretations and conclusions summarized in the report.

I suggest as the standards-setting group you assist in the information transfer of technical information by creating or suggesting documents or video presentations that speak to the interested investing public in a manner that explains in simple terms the diligent steps used to explore and create value in a mine property.

I have conducted briefings where the audience has scant geoscience or engineering understanding. Too much science talk causes the audience to lose interest, start texting, and miss key points.

To get folks on the same page, a generic YouTube video could be prepared to the discuss physical setting of properties, types of drilling and coring, core analysis, quality assurance, volumetric presentations, and calculations to name a few ideas. The QP could be encouraged to prepare a video of the site with drone overviews of the terrain and examples of field conditions, etc. I think more investment bankers should understand the basics of diamond drilling and core

analysis. Visual and simple is better. The YouTube could be a generic presentation that could be referenced and augmented by the QP.

Social Impacts:

The social contracts concept with the First Nations is repeated in communities across the world. We have community issues in near urban areas of Florida with examples of quarry developments that have been delayed a decade by community groups that do not want blasting, trucks, noise, and dust in their backyards. The rock may look good, be abundant and near a market but the community says, “leave it in the ground.”

The social impacts of proposed projects need to be evaluated in the earliest steps in a project evaluation. The community tasks need to be conducted by a team member who is trained in this area.

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I would be available for additional discussion on these and other points.

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