

A. Improvement and Modernization of NI 43-101

Q1. Yes

Q2.a.b. We propose to keep the **Form** to present the pertinent technical information, and still use the **Executive Summary (ES)** as the simpler, more clear approach to introduce the project to the investors. However, to just present the key information in the ES, extract only the essential information and avoid exorbitantly lengthy ES, we suggest adding a page limit to the ES in the National Instrument 43-101. This page limit could be adjusted depending on the stage of the mineral project (more pages allowed for advanced projects).

Q3.a.b. CRIRSCO has already been created to align international reporting standards.

Please look at question 16 for the definition of a Qualified Person, or at question 11 for the definition of a Preliminary economic assessment (PEA), for examples where there could be alignment with other codes.

Q4. No comment

Q5. If by remote technologies, a combination of drones and video-conferences is meant, then no. The investor protection function of the current personal inspection requirement cannot be achieved though the application of innovative technologies **only** (drones and video-conferences) without requiring the qualified person to conduct a physical visit to the project.

The current personal inspection should always imply a human being on site, even if the use of a proxi could be allowed in specific cases (a person already close to site, that can travel easily in time of restrictions, that can be the eyes and ears of the QP). A person on site is always better than just remote technologies. The use of a proxi could be done while waiting for travel restrictions to be lifted, and for the QP to be able to travel to site.

We note a very large gap between question 5 on one side and questions 21, 22 and 23 on the other side, which seems at two opposite ends of the spectra for requirements for the current personal inspection. Our opinion is that the right answer lies in between, with the current requirements (close 6.2 (1)), and an allowance for a proxi person to travel to site when there are travel restrictions.

The current close 6.2 (1) should stay as is:

*Before an issuer files a technical report, the issuer must have **at least one qualified person who is responsible for preparing or supervising the preparation of all or part of the technical report complete a current inspection on the property that is the subject of the technical report.***

Using only remote technologies is not enough for the qualified person to understand all the aspect of a mineral project, the practices, and verify the work done on the property. A lot of the understanding of the problematics comes when seeing in person the installations and through discussion with the personnel on site.

It is therefore necessary that a visit is conducted by a human being. On the other side, requiring that all the QPs involved in the reporting of Mineral Resource and Reserves travel to site is excessive. We detail our suggestions in the replies to questions of paragraph F.

B. Data Verification Disclosure Requirements

Q6. The current definition of data verification is adequate and the disclosure requirements are sufficiently clear. We do not think that there is a need to add any more terms to the definition or to the disclosure requirements. It should be left to the discretion of the QP to decide the data they can use, which they are comfortable with and to describe the measures taken to verify it.

Q7. Item 12 is adequately clear

Q8. Micon already introduces the current personal inspection into item 2 (persons, dates, infrastructures visited, key meetings held...) and details the content of the site visit further in Item 12, especially the items related to data verification. Micon has seen other NI-43101 technical reports organized this way. Therefore, we think it is a good idea to change it in the NI-43101.

C. Historical Estimate Disclosure Requirements

Q9. Perhaps what is considered as an historical estimate should be defined better. We suggest that any estimate done by a previous owner is considered historical, even if done only a year ago. For estimates that have been done by the current owner, we suggest considering any estimate dated 5 years or more to be considered historical.

Q10. Yes, it is sufficient

D. Preliminary Economic Assessments

Q11. The definition of a scoping study in the JORC Code is more detailed than the definition of the PEA in the NI-43101 (item 38 page 19 of the JORC code 2012). Some of the details used by the JORC Code could be used to enhance the study's precision.

Q12. The current cautionary statement is sufficient. We only suggest to make sure that the definition of Inferred resources is clearly disclosed in the report, so that the investors are fully aware of the risks associated to the PEA.

Q13. No comments

Q14. We do not think that the disclosure of a PEA should be precluded if current mineral reserves have been established. The possibility of developing alternative scenarios should be left possible for the issuers. This should not be a problem or misleading if all the assumptions are clearly stated in both studies.

Q15. Yes, if there is no estimate of the by-products (not categorized as either Measured, Indicated or Inferred) then NI-43101 should prohibit their inclusion into cash-flow models.

E. Qualified Person Definition

Q16. 1) The current Qualified Person definition in the NI-43101 is clear.

"qualified person" means an individual who

(a) is an engineer or geoscientist with a university degree, or equivalent accreditation, in an area of geoscience, or engineering, relating to mineral exploration or mining;

(b) has at least five years of experience in mineral exploration, mine development or operation, or mineral project assessment, or any combination of these, that is relevant to his or her professional degree or area of practice;

*(c) has experience **relevant** to the subject matter of the mineral project and the technical report;*

(d) is in good standing with a professional association; and

(e) in the case of a professional association in a foreign jurisdiction, has a membership designation that

(i) requires attainment of a position of responsibility in their profession that requires the exercise of independent judgment; and

(ii) requires A. a favourable confidential peer evaluation of the individual's character, professional judgement, experience, and ethical fitness; or

B. a recommendation for membership by at least two peers, and demonstrated prominence or expertise in the field of mineral exploration or mining;

- 2) We note that this definition is complemented with the CIM Definition Standards for Resource & Mineral Reserves (2014). **One suggestion** is to consolidate these definitions.
- 3) **An additional suggestion** would be to add some items from the JORC Code or from the CrirSCO definition (see pages 6 and 7) regarding "relevant" experience, to either the NI-43101 or to the CIM Definition for Resource and Mineral Reserves. Notably, the notion of common sense when defining relevant experience could be a plus.

Note that the CrirSCO IRT has already extracted text from either the JORC Code, the NI-43101 or the CIM Definition Standards for Resource & Mineral Reserves.

- 4) **Finally, one important point** raised by the JORC Code definition and the CRIRSCO definition is that the professional organisations have **enforceable disciplinary processes including the powers to suspend or expel a member**. Adding this aspect to the NI-43101 would be a plus.

Micon thinks that if there are complaints made in respect of the professional work of a Qualified Person then it should be dealt with under the disciplinary procedures of the National professional organisation to which the Qualified Person belongs.

The CSA makes the definition of the Qualified Person. The complaints regarding the technical work or the standing of the QP with the professional organisation should be made through the professional bodies.

Q17. The other professionals that we can think of are the environmental and social specialists that could be responsible for part of Item 4 and Item 20

Q18. The test of independence is clear enough

Q19. Directors and officers should not be disqualified

F. Current Personal Inspections

Q20. In the definition for the current personal inspection, it should be specified that the personal inspection should be done by at least a person, a human being, and not be replaced completely by drones or video-conferences. If the QP cannot go on site because of seasonal weather, or for the cause of a pandemic or a conflict, then there should be a possibility to send a proxy, i.e. a person that is already close to the site, and that can be the relay of the QP on site.

When the travel conditions are better, then the QP should conduct his current personal visit. This would allow projects to move forward.

Q21.22.

The current close 6.2 (1) should stay as is:

*Before an issuer files a technical report, the issuer must have **at least one qualified person** who is responsible for preparing or supervising the preparation of all or part of the technical report complete a current inspection on the property that is the subject of the technical report.*

Ideally, for an advanced property, there should be several QPs, usually a geologist, a mining engineer, a metallurgist and an environmental specialist, or as many QP as involved in the project. However this should not be a requirement and mandatory.

Practically, it is not always possible logistically to send all the QPs to site (schedules, expenses, carbon footprint, visas, travel restrictions due to a pandemic or a conflict), and this should not prevent a project to move forward.

And effort should always be made to send the specialists needed to the site, our opinion is that it should not be put as a requirement.

Experienced mining geoscientists have enough cross-disciplinary knowledge and experience with reporting codes to be the eyes and ears of the mining engineers, metallurgists or environmental scientists for example. And the reverse is also true. The use of video-conferencing can help facilitate interactions of a specialist that was not able to go to site.

Q23. We have concerns with removing the subsection 6.2(2). We even think that it should be completed by a close on a pandemic or a conflict. In cases where the current personal inspection cannot be done, it allows the project to move forward. Sending a person as proxy, that is not qualified, but that can be the relay of the qualified person in such cases, waiting for the conditions to be better to organize the current personal inspection for the QP, is also a good solution.

G. Exploration Information

Q24. It is sufficiently clear

H. Mineral Resource / Mineral Reserve Estimation

Q25. There is enough detail in the guidelines

Q26. a. In practice, it is generally the case. By signing off on the mineral resource the qualified person already accepts the responsibility for the data used to support the mineral resource estimate, so yes.

b. Similarly, by signing-off on the resources, the qualified person makes a judgement call on the data he is comfortable to use as the basis of the mineral resource estimate, and has done the verification required if the base information is not available anymore (for example twin drilling, or comparison with production data).

Q27. We have a suggestion, not for the NI-43101, but for the guidelines. A good way of coming up with sensible risks for a mineral project is to organize inter-disciplinary brainstorming sessions with geoscientists and engineers.

I. Environmental and Social Disclosure

Q28. No.

Item 4; Property description and location: requires declaration of the extent of current knowledge of the environmental and social baseline conditions (to allow understanding of potential issues) and of the neighbouring activities both past and current (to allow understanding of the potential for legacy and cumulative impacts)

Item 20. It is no longer acceptable to hide behind the 'reasonably available' caveat to the information. There should be an obligation to fill gaps in environmental and social information in order to inform the report and the assessment of materiality of issues and risks.

Include discussion of social and socioeconomic impacts; include discussion of human rights impacts; include discussion of climate change impacts

Reverse the 'where relevant, include' clause to become 'include unless the absence of information in the report can be justified'.

Q29. No -see above. Require commentary on the level of current social baseline knowledge including past and current use of the property (livelihoods issues) and neighbouring properties

Q30. In the long-run, the more open the communication with the communities at early stages, the better the collaboration and the benefits for both the issuers and the communities. So consultations are a good ideas. However, the size of the consultation should be in comparison to the stage of the project. This would go a long way to encouraging responsible early engagement.

J. Rights of Indigenous Peoples

Q31. Detail of historic consultation activities, outcomes, and issues outstanding

Q32. Disclosure of the decision process undertaken (criteria, significant assessment, materiality outcomes) to arrive at the assessment of 'significant risks and uncertainties as declared in the report (ie the methodology applied)

Q33. Yes, require independent due diligence against international standards eg IFC Performance Standard 7 for indigenous peoples to be undertaken and reported in the NI 43-101 report

K. Capital and Operating Costs, Economic Analysis

Q34. No comments

Q35. No comments

Q36. No comments

Q37. No comments

L. Other

Q38. To finish, two suggestions:

- 1) The definition of the Qualified Persons is a very important one in the Mineral Resource and Mineral Reserves Disclosure. The professional organisations have enforceable disciplinary processes including the powers to suspend or expel a member.

Micon is of the opinion that the professional bodies should sort out who's eligible to be a QP, according to the definition that the CSA controls.

- 2) Another idea would be to create a review/appeal procedure for technical disputes that can arise in the process of disclosing Mineral Resource and Reserves.
The regulator and the issuing company could choose an independent reviewer each and these two would then chose a third reviewer, creating a panel that reviews submissions from both sides.

-JORC Code (2012) – Competent Person Definition Extract

A ‘Competent Person’ is a minerals industry professional who is a Member or Fellow of The Australasian Institute of Mining and Metallurgy, or of the Australian Institute of Geoscientists, or of a ‘Recognised Professional Organisation’ (RPO), as included in a list available on the JORC and ASX websites. These organisations have enforceable disciplinary processes including the powers to suspend or expel a member.

A Competent Person must have a minimum of five years relevant experience in the style of mineralisation or type of deposit under consideration and in the activity which that person is undertaking. If the Competent Person is preparing documentation on Exploration Results, the relevant experience must be in exploration. If the Competent Person is estimating, or supervising the estimation of Mineral Resources, the relevant experience must be in the estimation, assessment and evaluation of Mineral Resources. If the Competent Person is estimating, or supervising the estimation of Ore Reserves, the relevant experience must be in the estimation, assessment, evaluation and economic extraction of Ore Reserves.

-CRIRSCO (IRT 2013) Competent Person Definition Extract

A Competent Person is a minerals industry professional (NRO to insert appropriate membership class and organisation including Recognised Professional Organisations) with enforceable disciplinary processes including the powers to suspend or expel a member.

A Competent Person must have a minimum of five years relevant experience in the style of mineralisation or type of deposit under consideration and in the activity which that person is undertaking. If the Competent Person is preparing a report on Exploration Results, the relevant experience must be in exploration. If the Competent Person is estimating, or supervising the estimation of Mineral Resources, the relevant experience must be in the estimation, assessment and evaluation of Mineral Resources. If the Competent Person is estimating, or supervising the estimation of Mineral Reserves, the relevant experience must be in the estimation, assessment, evaluation and economic extraction of Mineral Reserves.

*The key qualifier in the definition of a Competent Person is the word ‘relevant’. Determination of what constitutes relevant experience can be a difficult area and **common sense** has to be exercised. For example, in estimating Mineral Resources for vein gold mineralisation, experience in a high-nugget, vein-type mineralisation such as tin, uranium etc. will probably be relevant whereas experience in massive base metal deposits may not be. As a second example, to qualify as a Competent Person in the estimation of Mineral Reserves for alluvial gold deposits, considerable (probably at least five years) experience in the evaluation and economic extraction of this type of mineralisation would be needed. This is due to the characteristics of gold in alluvial systems, the particle sizing of the host sediment, and the low grades involved. Experience with placer deposits containing minerals other than gold may not necessarily provide appropriate relevant experience. The key word ‘relevant’ also means that it is not always necessary for a person to have five years’ experience in each and every type of deposit in order to act as a Competent Person if that person has relevant experience in other deposit types. For example, a person with (say) 20 years’ experience in estimating Mineral Resources for a variety of*

metalliferous hard-rock deposit types may not require five years specific experience in (say) porphyry copper deposits in order to act as a Competent Person. Relevant experience in the other deposit types could count towards the required experience in relation to porphyry copper deposits.

*In addition to experience in the style of mineralisation, a Competent Person taking responsibility for the compilation of Exploration Results or Mineral Resource estimates should have sufficient experience in the sampling and analytical techniques relevant to the deposit under consideration to be aware of problems which could affect the reliability of data. Some appreciation of extraction and processing techniques applicable to that deposit type is also important. As a general guide, persons being called upon to act as Competent Persons should be clearly satisfied in their own minds that they could face their peers and demonstrate competence in the commodity, type of deposit and situation under consideration. If doubt exists, the person should either **seek opinions** from appropriately experienced colleagues or should decline to act as a Competent Person.*

Estimation of Mineral Resources may be a team effort (for example, involving one person or team collecting the data and another person or team preparing the estimate). Estimation of Mineral Reserves is very commonly a team effort involving several technical disciplines. It is recommended that, where there is a clear division of responsibility within a team, each Competent Person and his or her contribution should be identified, and responsibility accepted for that particular contribution. If only one Competent Person signs the Mineral Resource or Mineral Reserve documentation, that person is responsible and accountable for the whole of the documentation under the Template. It is important in this situation that the Competent Person accepting overall responsibility for a Mineral Resource or Mineral Reserve estimate and supporting documentation prepared in whole or in part by others, is satisfied that the work of the other contributors is acceptable.

Complaints made in respect of the professional work of a Competent Person will be dealt with under the disciplinary procedures of the National professional organisation to which the Competent Person belongs. Such procedures may vary from country to country, but international agreements between National Reporting Organisations through the 'ROPO' (Recognised Overseas Professional Organisation) system are encouraged to standardise Competent Person practices where possible.