

Appendix A

Summary of Changes

NI 43-101

Part 1 Definitions and Interpretation

- We changed the proposed term “grassroots exploration property” to “early stage exploration property”. We also broadened the meaning of this term to include a property that has “no current mineral resources or mineral reserves defined, and no drilling or trenching proposed” in a technical report being filed. The effect of this change is that an exploration property that has had historical work done on it may be included in the definition of early stage exploration property.
- We added a definition for the term “historical estimate”.
- We revised the definition of “mineral project” to include an explicit reference to “royalty interest or similar interest” in any exploration, development or production activity. We also clarified that diamonds were included in the definition.
- We have attached, as Appendix A to the New NI 43-101, a list of foreign associations we reviewed and accepted for the purpose of paragraph (a)(ii) of the definition of “professional association”.
- We decided to retain and modify the definition of “technical report” to reflect the requirements currently existing in section 4.3 of Previous NI 43-101 and Item 20 of the Previous Form.
- We revised the language in the new definition of independence under section 1.4 to make it less prescriptive and easier to understand.

Part 4 Obligation to File a Technical Report

- We removed the requirement under section 4.1 for an issuer to file a technical report each time it becomes a reporting issuer in another Canadian jurisdiction if it is already a reporting issuer in another Canadian jurisdiction. We retained the requirement that an issuer must file an independent technical report the first time it becomes a reporting issuer in a Canadian jurisdiction.
- We decided not to add the “annual management’s discussion and analysis” as a technical report trigger under section 4.2(1)(f) as proposed. Since the results of work programs for venture issuers are not always completed on an annual basis, we agreed with those commenters who expressed concern that requiring a technical report annually would be too great a burden for those issuers. We believe that the financing-related triggers and the news release trigger for first time disclosure of mineral resources or mineral reserves or a preliminary assessment, which are in the Previous NI 43-101 currently in force, should provide investors with technical report disclosure at the most relevant times in a venture issuer’s activities.

- We also removed the “annual report” as a technical report trigger under section 4.2(1)(f). This trigger was originally intended to apply only to a document required under Quebec securities laws which is no longer a required filing in that jurisdiction.
- We created a new section 4.2(2) that incorporates the concepts that were published for comment in section 2.9 of the Policy. This change provides that an issuer will not trigger the requirement to file a technical report under section 4.2(1)(j) for first time disclosure of an historical estimate of mineral resources or mineral reserves if that disclosure includes the cautionary statements set out in section 4.2(2)(b)(i) to (iii). We made this change because the Policy is not the correct place for prescribing statements an issuer should make.

Part 5 Author of Technical Report

- We eliminated the proposed requirement under section 5.3(1) 2 that the technical report prepared by or under the supervision of a qualified person in support of a TSX Venture Exchange offering document be prepared by an independent qualified person.

Part 6 Preparation of Technical Report

- We broadened the new exemption under section 6.2 (2) that permits a delay of the required personal inspection because of seasonal weather conditions (published for comment as section 9.2). As a result of the changes made to the definition of “early stage exploration property” in section 1.1, the expanded exemption will now apply to a property that has “no current mineral resources or mineral reserves defined, and no drilling or trenching proposed” in a technical report the issuer is filing. To rely on the exemption the issuer must disclose in the technical report the intended time frame to complete the personal inspection. We maintained the requirement that the qualified person must conduct the personal inspection as soon as practical, and immediately file an updated technical report and qualified person’s certificate and consent once he or she completes the inspection.
- We moved the prohibition against disclaimers in technical reports published for comment in the Proposed Changes as Instruction 7 in Form 43-101F1 to section 6.4 of the New NI 43-101. We also changed this prohibition so that it is less restrictive. We decided not to prohibit all types of disclaimers (except those permitted for the limited purposes set out in Item 5 of the New Form, i.e. reliance on other experts who are not qualified persons). We will continue to prohibit blanket disclaimers unless they comply with section 6.4(a) and (b) of the Instrument.

Part 8 Certificates and Consents of Qualified Persons for Technical Reports

- We published for comment an amendment to section 8.1(2)(e) of the Previous NI 43-101 removing the requirement that the qualified person certify that he or she is not aware of any material fact or material change with respect to the subject matter of the technical report which is not reflected in the report, the omission of which makes the report misleading. We felt it was inappropriate to require a qualified person to make a determination of material fact or material change in respect of an issuer.

We also published for comment a new requirement in section 8.1(2)(i) that the qualified

person certify that the technical report contains all the information required under Form 43-101F1 in respect of the property which is the subject of the report. In the New NI 43-101, we have amended section 8.1(2)(i) to require the qualified person to certify that, to the best of the qualified person's knowledge, information and belief, the technical report contains all scientific and technical information required to be disclosed to make the report not misleading. We believe the revised section 8.1(2)(i) of the New NI 43-101 requires a statement that the qualified person is in the best position to make and provides meaningful information to the public.

Part 9 Exemptions

- We added section 9.2 to provide a limited exemption for a company that only has a royalty interest or similar interest in a mineral project and has triggered the requirement to file a technical report. The exemption provides a company with relief from completing those items of the New Form relating to scientific and technical information that the royalty holder cannot complete if the royalty holder has requested access to the data from the operating company but has been denied such access, and is also unable to obtain the information from public sources. The royalty holder must disclose these facts under Item 3 *Summary* in the technical report and describe the content under each item in the New Form that it did not complete. In order to rely on this exemption, all technical disclosure made by the royalty holder must include a cautionary statement explaining that the issuer has an exemption from completing certain items under the New Form in the technical report it has filed and a reference to the title and date of the technical report.
- We removed the exemption for certain foreign issuers published for comment in our Proposed Changes as section 9.3. In contrast to the several requests we had shortly after the initial implementation of the rule, over the past two years no issuer has sought this type of relief. Therefore, we decided to continue to deal with this type of relief on a case by case basis through the exemptive relief application process.

Form 43-101F1

- We moved the prohibition against disclaimers in technical reports from published for comment in the Proposed Changes as Instruction 7 to Form 43-101F1 to section 6.4 in the New NI 43-101 (see *Part 6* above). We added a reference to section 6.4, in Instruction 7 of the New Form, to remind issuers and qualified persons about the prohibition against blanket disclaimers.

Companion Policy 43-101CP

- We amended the Policy to reflect the changes to the Instrument described above. For example, we
 - i. added guidance about royalty interests and other similar interests and provided some clarification about the new exemption under section 9.2 of the New NI 43-101; and
 - ii. clarified the prohibition against disclosure of an economic analysis that includes inferred resources if the project has advanced past the preliminary feasibility study stage.

- We deleted various discussions in the Policy that we believe no longer provide useful guidance.