NI43-101 Update comments

SQ Stephen Quin <stephen@rockwork.ca>
To comments; consultation-en-cours@lautorite.qc.ca

Mon 2025-06-23 11:33 PM

Dear Sirs/Mesdames

I have reviewed the proposed changes to NI43-101 and related documents and have the following comments

NI43-101

1. Definitions – I think that the mineral project definition should be expanded to make it clear that it encompasses information related to the entire contiguous mineral title package and/or nearly mineral tenure that is likely to use the same infrastructure. It is common to see a technical report on one deposit within a larger land package that has significant work, information and results but nothing is covered in the technical report. While this is expanded on in NI43-101CP Section 1(b), I think a clearer statement in the definition right in NI43-101 is warranted, as NI43-101CP is guidance, not law.

2. I do not support replacing "Preliminary Economic Assessment" with "Scoping Study". The former term has been widely used, adopted and understood for an entire generation of mining personnel, investors and supporting professions (lawyers, etc.) and just adds confusion with investors likely to ask: 'so you have done a scoping study, when is the PEA due?'. To which you would likely respond 'This is a PEA', engendering a response from the investor 'Well, why not just call it a PEA then'. An online search of the meaning of 'scoping study' most frequently refers to a summary of a literature search, and the like ("Scoping studies are descriptive and often not comprehensive, but they provide a roadmap of literature."). This is not what a PEA is intended to be. The industry has spent decades (since 2001) educating the public/investors on what each stage of report represents and renaming PEAs just undermines that commonly understood and expected progression. Further, in my experience, companies use 'scoping study' for 'quick and dirty' or 'back of the envelope' internal studies that do not reach the standard of a PEA and are not disclosable; conflating the two goes against my experience of industry practice.

3. Section 9 - I understand and agree with the concept of limiting disclaimers, especially those being pushed by large engineering firms when preparing technical reports. However, there may be limited circumstances when a disclaimer is warranted. In fact, the requirements for a Historical Estimate are, in and of themselves, a disclaimer. As another example, preliminary assays can be material (and therefore require disclosure) but need a disclaimer that they are not final and could change. I agree that general disclaimers about not using a report or an investor not relying on a report should be banned. Suggest clarifying this matter.

4. Section 11 – I support the requirement for data verification being applicable to all scientific and technical disclosure. This is often not understood.

5. Section 12(2)(d) – in my opinion an area of abuse is averaging narrow, high-grade intervals with sub- or un-economic data. So I agree with the proposed language here, but have concerns that '100 feet grading 2g/t gold including 2 feet grading 99.5g/t Au' does not make it clear that means the remainder is 98 feet grading 0.01g/t Au…which is likely uneconomic in any circumstance.

6. Section 13 – I find 13(d) to be impractical; the word "could" is too all encompassing – permitting, unsettled land claims, war in Iran, tariffs, litigation, inflation, weather, floods, earthquakes (this is BC after all), ships with mining equipment sinking (as happened to a BC company), global financial issues (how about the GFC when a mining company lost all its cash for mine development with Lehman); the list goes on (look at any prospectus or AIF for a list of risk factors) and all have impacted mining projects. I recommend that the definition be tightened to limit it to matters specific to the particular mining project and not general to the mining industry.

7. Section 14 – In my opinion, these exemptions should NOT apply to a technical report. A technical report should be stand alone, so readers have everything in one place, and not rely on prior reports, as a new technical report supersedes and replaces a prior technical report, whereas this could be used to reference back to a prior report.

NI43-101F1

1. Item 3 – I suggest broadening the exemptions for QPs to include (a) community relations and (b) Aboriginal peoples/First Nations relations. Very few people are experts in these areas and are rarely qualified as QPs even when they have decades of experience. Especially so, since one of the objectives of the modernizations is to encompass these areas.

2. Item 14(g) and 15(c) and 21(e) – see comments on 13(d) above.

3. Item 19(c) – I rarely see lists of contracts needed in technical reports. In my opinion, this requirement should be limited to a PFS and FS. Yes, it says "if relevant" in the introduction, but it IS relevant, just not useful pre-PFS to list 50-100 contracts required to develop a mine.

4. Item 20(b) – I think this should be limited to 'material' permits and licences. There are dozens of permits – do investors care if you need a licence to operate a radio on

site? Similarly, the scope should be limited to material terms…again, do investors care that a condition of the license to take monthly water samples in 32 different locations and analyze for 23 different analytes and use certain methods to test those analytes?

5. Item 20(c) risks (i) affecting negotiations, (ii) breaching confidentiality and (iii) requiring a lot of information. In reverse order note the following points. Almost all mining projects have extensive discussions and negotiations with indigenous peoples covering many years. I my experience, there were dozens of meetings leading to an IBA, for example. Listing the "status and dates of any negotiations" is not sensible or appropriate. Further, in my experience, such discussions and negotiations almost exclusively take place under a negotiating framework that contains confidentiality provisions that would prevent the disclosure of 'status and dates'. Finally, publicly reporting on 'dates and status' in technical reports jeopardizes the negotiations themselves; First Nations often feel pressured by a deadline and do not want to be held to a timeline to finalize an agreement (even if the company does)…reporting on 'status and dates' on a regular basis as a project advances risks alienating the First Nations/indigenous people. This is a complex issue, as investors want to know, but First Nations often do not want to be measured for progress, benchmarked and pressured. Further, in BC for example, there are often multiple First Nations involved in a single project and there can be rivalry, poor relations, competition, etc. between neighbouring First Nations that likely overlap on a single project and reporting details as proposed is likely to cause friction and issues for the company.

6. Item 21(b) – I recommend fuel price assumptions be specifically provided; it is often one of the largest cost centres of an open pit mine but the assumption is rarely disclosed but critical. Same for assumed unit power costs.

NI43-101CP

1. Given 'General Guidance (3)' should NI43-101F1 have a clearly identified location for forward looking information? A defined 'home' to ensure consistency.

2. While not proposed, I would encourage you to consider 'looking back' as well as forward in respect of independence in Section 3. Should a former employee or director be deemed independent? Perhaps some period (2 or 3 years, similar to a former CEO being deemed independent as a director).

3. Section 5(c) – I would suggest that the list should explicitly encompass newsletters and other promotional materials paid for by the Issuer; issuers often do not understand this.

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Thanks for the opportunity to comment.

Sincerely

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