

## B.6

# Request for Comments

### B.6.1 CSA Notice and Request for Comment – Proposed Repeal and Replacement of National Instrument 43-101 Standards of Disclosure for Mineral Projects



Canadian Securities  
Administrators

Autorités canadiennes  
en valeurs mobilières

#### CSA NOTICE AND REQUEST FOR COMMENT

#### PROPOSED REPEAL AND REPLACEMENT OF NATIONAL INSTRUMENT 43-101 STANDARDS OF DISCLOSURE FOR MINERAL PROJECTS

June 12, 2025

#### Introduction

The Canadian Securities Administrators (**CSA** or **we**) are proposing to repeal and replace the current National Instrument 43-101 *Standards of Disclosure for Mineral Projects* (the **Instrument**) and Form 43-101F1 *Technical Report* (the **Form**) with a streamlined instrument and form. We are also proposing to rescind and replace the current Companion Policy 43-101CP to National Instrument 43-101 *Standards of Disclosure for Mineral Projects* (the **Companion Policy**) with a new companion policy. The Modernized Disclosure Requirements, as defined below, are intended to modernize and streamline Canada's mining disclosure regime and continue to protect investors, without imposing an undue regulatory burden on market participants.

We are publishing for a 120-day comment period:

- proposed National Instrument 43-101 *Standards of Disclosure for Mineral Projects* (the **Proposed NI 43-101**) and Form 43-101F1 *Technical Report* (the **Proposed Form**), including a repeal of the Instrument and the Form;
- proposed Companion Policy 43-101CP to National Instrument 43-101 *Standards of Disclosure for Mineral Projects* (the **Proposed Companion Policy**) to become effective to coincide with the adoption of Proposed NI 43-101;
- proposed consequential amendments to existing instruments and forms:
  - National Instrument 44-101 *Short Form Prospectus Distributions*;
  - National Instrument 44-102 *Shelf Distributions*;
  - Form 45-106F3 *Offering Memorandum for Qualifying Issuers* of National Instrument 45-106 *Prospectus Exemptions*;
  - Form 51-102F2 *Annual Information Form* of National Instrument 51-102 *Continuous Disclosure Obligations*;
  - Multilateral Instrument 51-105 *Issuers Quoted in the U.S. Over-the-Counter Markets*; and
- proposed change to Companion Policy 51-105 *Issuers Quoted in the U.S. Over-the-Counter Markets*

(collectively, the **Modernized Disclosure Requirements**).

The public comment period will end on October 10, 2025.

The text of the Modernized Disclosure Requirements is contained in Annexes A through I of this Notice and will also be available on websites of CSA jurisdictions, including:

- [www.lautorite.qc.ca](http://www.lautorite.qc.ca)
- [www.asc.ca](http://www.asc.ca)
- [www.bcsc.bc.ca](http://www.bcsc.bc.ca)
- [nssc.novascotia.ca](http://nssc.novascotia.ca)
- [www.fcnb.ca](http://www.fcnb.ca)
- [www.osc.ca](http://www.osc.ca)
- [www.fcaa.gov.sk.ca](http://www.fcaa.gov.sk.ca)
- [www.mbsecurities.ca](http://www.mbsecurities.ca)

### **Substance and Purpose**

Canada plays a leading role in mining capital formation. Canada's mining disclosure regime is recognized internationally as the standard for mineral project disclosure. The Modernized Disclosure Requirements will allow the CSA to continue to protect investors and preserve Canada's leading role in facilitating efficient capital formation for mining issuers.

The Modernized Disclosure Requirements aim to update and enhance Canada's mining disclosure regime to address evolving disclosure practices and policy considerations identified by CSA staff, and to reflect changes in the industry and investor expectations. As further discussed below in the Summary of the Modernized Disclosure Requirements section, the Modernized Disclosure Requirements are designed to:

- remove or replace certain definitions that have become outdated;
- modernize and streamline certain requirements to reflect current industry practice;
- remove certain requirements that have become outdated;
- provide clarification and guidance on certain definitions and requirements; and
- make other minor drafting changes to clarify disclosure requirements.

### **Background**

Since the last amendments in 2011, the CSA have continually monitored the mineral disclosure requirements in the Instrument, and gathered data evidencing deficiencies identified through continuous disclosure reviews, prospectus reviews and targeted issue-oriented reviews.

In April 2022, the CSA published Consultation Paper 43-401 *Consultation on National Instrument 43-101 Standards of Disclosure for Mineral Projects* (the **Consultation Paper**), seeking information to inform potential amendments to Canada's mining disclosure regime. We received a total of 85 comment letters from various market participants, including reporting issuers, individuals, consulting and law firms, regulatory organizations and advocacy groups, including groups representing Indigenous Peoples.

### **Summary of the Modernized Disclosure Requirements**

The Modernized Disclosure Requirements are meant to address evolving disclosure practices and policy considerations. The Modernized Disclosure Requirements also address the comments expressed by various market participants in response to the Consultation Paper.

The Modernized Disclosure Requirements include the following amendments and changes:

#### ***Changes to terms and definitions***

##### ***a. Mineral project***

The current Instrument, Companion Policy and Form use the terms "mineral project", "project", "mineral property" and "property" interchangeably. The Modernized Disclosure Requirements add clarity by replacing these terms with "mineral project".

The current definition treats diamonds, base metals, precious metals and industrial metals as separate categories. The Modernized Disclosure Requirements clarify the definition of “mineral project” by removing these terms to reflect that we consider them as examples of natural solid inorganic material or natural fossilized organic material.

*b. Early stage and advanced properties*

The current Instrument defines “early-stage exploration property” and “advanced property”. The Modernized Disclosure Requirements remove these definitions to make the Proposed Form suitable for all mineral project stages, which addresses concerns raised by issuers that have projects at various stages.

*c. Qualified person*

The gatekeeping role of the qualified person is essential to protect the investing public. The Modernized Disclosure Requirements update the qualified person definition to:

- remove the education requirement as it is covered by professional licencing criteria,
- clarify that an individual's experience in the minerals industry must be gained after registration as a professional geologist or engineer, and
- clarify the meaning of experience relevant to the subject matter of the mineral project.

The Modernized Disclosure Requirements also clarify that all disclosure of scientific or technical information for material or non-material projects must be based on information prepared or approved by a qualified person. This change aligns with current industry practice and will result in consistent disclosure to investors.

*d. Foreign codes*

Since 2011, all major international mining jurisdictions, including Canada, have harmonized their definitions for mineral resources, mineral reserves and mining studies to align with those of the Committee for Mineral Reserves International Reporting Standards (**CRIRSCO**), the international organization that represents more than 85% of global jurisdictions with mineral project reporting standards. The Canadian Institute of Mining, Metallurgy, and Petroleum (**CIM**) is the Canadian member of CRIRSCO and maintains the definitions in the Canadian context. The current Instrument incorporates by reference the CIM Definition Standards for Mineral Resources and Reserves (the **CIM Definition Standards**), which aligns the CSA's mining disclosure requirements with CRIRSCO standards. The current Instrument also permits foreign issuers to refer to similar definitions in standards in their jurisdiction that are similar to the CIM Definition Standards.

As CIM Definition Standards are sufficiently similar to other jurisdictions, we no longer need to allow issuers to rely on other reporting codes. The Modernized Disclosure Requirements remove these defined foreign codes so that technical report disclosure will require disclosure aligned with the CIM definitions of mineral resources, mineral reserves and mining studies.

***New CIM definitions***

As part of the CSA's initiative to align the Modernized Disclosure Requirements with industry practice, CIM is working in parallel with the CSA to include additional definitions in the revised CIM Definition Standards.

The following definitions will be included in the CIM Definition Standards and incorporated by reference in the Proposed NI 43-101:

- “scoping study” – this new CIM definition replaces the definition of “preliminary economic assessment” (**PEA**) in the current Instrument. PEA disclosure has been an area of significant non-compliance, particularly related to disclosure of a PEA after establishing mineral reserves, which has led to staff interventions and refiling of technical reports. We continue to require specific cautionary statements to alert investors about the conceptual nature of scoping studies;
- “exploration target” – this CIM definition replaces the expression “target for further exploration” in the current Instrument to align with global standards;
- “life of mine plan” – this new CIM definition will be used when disclosing mineral project status while in production to align with global standards.

***Royalty issuer technical reports***

An issuer that has only a royalty or similar interest in a mineral project is currently required to file a technical report. These reports provide limited information, as a royalty issuer's qualified person does not usually have access to the owner's data and cannot

complete a current personal inspection or verify technical information. The Modernized Disclosure Requirements remove the requirement for a royalty-only issuer to file a technical report.

### ***Environmental and social issues***

Over the last decade, CSA staff have seen an increase in public and investor awareness of environmental and social issues related to mineral projects. However, disclosure requirements related to environmental, permitting and social matters in a technical report have remained largely unchanged since 2001. The Modernized Disclosure Requirements enhance certain terminology, for example by using the broad term “rightsholders” and replacing outdated terms such “local” and “social and community impact”. The requirements in technical reports have also been adjusted to require the dates and sources of any environmental, permitting and social reporting disclosure so the public knows whether the information is current, given the non-periodic, milestone-driven nature of a technical report.

### ***Indigenous Peoples, rightsholders and communities***

We considered feedback from the Consultation Paper, including from groups representing Indigenous Peoples in Canada about whether specific disclosure of the risks and uncertainties related to the rights of Indigenous Peoples or an issuer’s relationship with Indigenous Peoples should be mandatory in a technical report, and if we should require the qualified person or other expert to validate the issuer’s disclosure of significant risks and uncertainties related to its existing relationship with Indigenous Peoples. Many commenters noted that technical reports are milestone-driven documents triggered to support an issuer’s scientific and technical disclosure about its material mineral projects, and that disclosure of an issuer’s relationship generally with Indigenous Peoples and the impact on its business generally should more appropriately form part of the issuer’s ongoing continuous disclosure record. The Modernized Disclosure Requirements will instead require disclosure in a technical report specifically about permits, agreements and negotiations with Indigenous Peoples, rightsholders or communities concerning the mineral project, as that disclosure is relevant in a technical report in order for investors to fully understand and appreciate the risks and uncertainties relating to a mineral project.

We remind issuers that existing disclosure obligations under Canadian securities laws require issuers to disclose material information to investors. These disclosure obligations apply irrespective of specific disclosure requirements under the Instrument or Form. Issuers need to assess whether information related to the issuer’s relationships, engagement and agreements with Indigenous Peoples, rightsholders or communities is material information that is required to be disclosed under Canadian securities laws.

### ***Current personal inspection requirement***

The current personal inspection requirement is a foundational element of the qualified person’s role as a gatekeeper to the investing public. It enables the qualified person to become familiar with conditions on the property, to observe the property geology and mineralization, and to verify the work done on the property. The Modernized Disclosure Requirements enhance this current requirement by including a new standalone item in the Proposed Form for disclosure specific to the current personal inspection by each qualified person, highlighting this important element of the technical report.

### ***Removal of deferred current personal inspection***

The current Instrument allows for a deferral of the current personal inspection of the mineral project by a qualified person due to seasonal weather conditions, provided that the personal inspection is conducted as soon as possible and the technical report is refiled. In recent years, this provision has been rarely used and when it was used, there was non-compliance with the refile requirement. The Modernized Disclosure Requirements remove the ability to defer a current personal inspection requirement and reinforce that at least one qualified person must conduct a current personal inspection on the mineral project before a technical report is filed.

### ***Mineral resource disclosure***

Mineral resource estimates represent a significant milestone for all issuers with mineral projects and these estimates are considered the foundation for all subsequent engineering studies and economic analysis of a mineral project. In November 2019, CIM published a review ‘*Estimation of Mineral Resources and Mineral Reserves Best Practice Guidelines*’ to assist issuers and qualified persons in preparing mineral resource estimates. In June 2020, we published CSA Staff Notice 43-311 *Review of Mineral Resource Estimates in Technical Reports* in which staff noted several observed deficiencies in disclosure of mineral resource estimates. As a result, since 2020 we have generally seen enhanced disclosure by qualified persons in technical reports explaining how the mineral resource estimate was determined. To ensure fulsome, comparable disclosure continues to be provided, the Modernized Disclosure Requirements codify current industry practice by requiring:

- information about how reasonable prospects for eventual economic extraction were determined,
- enhanced disclosure about the classification of mineral resource estimates,

- the issuer's attributable percentage of resources for fractional ownerships, and
- project-specific risk disclosure requirements for mineral resource estimates.

***Adjacent properties***

Disclosure by an issuer about a property adjacent to its project is often used for promotional purposes in technical reports and other documents. The Modernized Disclosure Requirements ensure that while an issuer may still discuss neighbouring mineralization, it cannot focus on this type of disclosure and must include cautionary statements that this information is not necessarily indicative of mineralization on the issuer's mineral project.

***Data verification***

We have seen examples of inadequate disclosure of data verification at every development stage of a mineral project. Many qualified persons incorrectly apply data verification only to exploration and drilling activities and not to other technical data, such as metallurgy or mining methods. The Modernized Disclosure Requirements require specific disclosure about the data verification performed by qualified persons for each item of the technical report.

***Disclaimers***

The current Instrument limits the use of disclaimers in a technical report but not in other disclosure. Issuers have therefore used disclaimers in other documents without regard for the veracity of the disclosure of scientific and technical information about a mineral project. The Modernized Disclosure Requirements clarify that an issuer's disclosure (including a technical report) cannot include any disclaimer of scientific or technical information.

***Written disclosure and material mineral projects***

Under the current Instrument, there are many prescribed requirements for written disclosure pertaining to scientific and technical information that only apply to an issuer's material mineral projects. The Modernized Disclosure Requirements clarify that the prescribed requirements for written disclosure apply to material and non-material mineral projects. The requirements apply to written disclosure regarding data verification, exploration information, and mineral resources and mineral reserves. This change aligns with current industry practice and will result in consistent disclosure to investors.

***Relevant scientific and technical information***

Technical reports are intended to provide a summary of scientific and technical information about an issuer's material mineral projects. The Modernized Disclosure Requirements replace the phrase "material scientific and technical information" with "relevant scientific and technical information" related to the content of a technical report. This change clarifies that the qualified person is not expected to determine materiality but is expected to determine what information is relevant to the mineral project for the purpose of the technical report.

***Other amendments and changes***

The Modernized Disclosure Requirements include several more minor changes to enhance and clarify mining disclosure for investors.

***Companion Policy***

The Modernized Disclosure Requirements introduce new Companion Policy guidance specific to disclosure in technical reports. This is the first time the CSA will offer extensive guidance on the Form in the Companion Policy, which we expect will provide significant assistance to qualified persons who author technical reports.

***Consequential Amendments and Changes***

As part of this modernization project, the CSA also proposes to make consequential updates to existing instruments and policies to reflect the Modernized Disclosure Requirements' new numbering convention. In many cases, the proposed amendments involve revising or deleting references to provisions found in the current Instrument. In certain instruments, we propose to make certain housekeeping amendments, such as repealing or deleting transitional provisions that are no longer applicable and correcting grammatical or typographical errors.

***Local Matters***

Annex J is being published in any local jurisdiction that is making related changes to local securities laws, including local notices or other policy instruments in that jurisdiction. It also includes any additional information that is relevant to that jurisdiction only.

**Request for Comments**

We welcome your comments on the Modernized Disclosure Requirements.

Please submit your comments in writing on or before October 10, 2025.

Address your submission to all of the CSA as follows:

British Columbia Securities Commission  
Alberta Securities Commission  
Financial and Consumer Affairs Authority of Saskatchewan  
Manitoba Securities Commission  
Ontario Securities Commission  
Autorité des marchés financiers  
Financial and Consumer Services Commission, New Brunswick  
Superintendent of Securities, Department of Justice and Public Safety, Prince Edward Island  
Nova Scotia Securities Commission  
Office of the Superintendent of Securities, Service NL  
Northwest Territories Office of the Superintendent of Securities  
Office of the Yukon Superintendent of Securities  
Nunavut Securities Office

Deliver your comments only to the addresses below. Your comments will be distributed to the other participating CSA jurisdictions.

The Secretary  
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We cannot keep submissions confidential because securities legislation in certain provinces requires publication of the written comments received during the comment period. All comments received will be posted on the websites of each of the Alberta Securities Commission at [www.asc.ca](http://www.asc.ca), the Autorité des marchés financiers at [www.lautorite.qc.ca](http://www.lautorite.qc.ca) and the Ontario Securities Commission at [www.osc.ca](http://www.osc.ca). Therefore, you should not include personal information directly in comments to be published. It is important that you state on whose behalf you are making the submission.

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<b>Annex J:</b>	Local Matters

**Questions**

Please refer your questions to any of the following:

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**ANNEX A**

**National Instrument 43-101  
Standards of Disclosure for Mineral Projects**

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**Proposed National Instrument 43-101**  
***Standards of Disclosure for Mineral Projects***

**PART 1 DEFINITIONS, INTERPRETATION AND APPLICATION**

**Definitions**

**1.** In this Instrument:

“CIM” means the Canadian Institute of Mining, Metallurgy and Petroleum;

“disclosure” means any oral statement or written disclosure made by or on behalf of an issuer and intended to be, or reasonably likely to be, made available to the public, but does not include written disclosure that is made available to the public by reason only of having been filed with a government or agency of government under a requirement of law other than securities legislation;

“effective date” means, with reference to a disclosure, the date of the most recent scientific or technical information included in the disclosure;

“exploration information” includes geological, geophysical, geochemical, sampling, drilling, trenching, analytical testing, assaying, mineralogical, metallurgical and other similar information concerning a mineral project that is derived from activities undertaken to locate, investigate, define or delineate a mineral prospect or mineral deposit;

“historical estimate” means an estimate of the quantity, grade or quality, or metal or mineral content of a deposit that an issuer has not verified as a current mineral resource or mineral reserve and prepared before the issuer acquired, or entered into an agreement to acquire, an interest in the mineral project that contains the deposit;

“initial deposit period” has the meaning ascribed to that term in section 1.1 of National Instrument 62-104 *Take-Over Bids and Issuer Bids*;

“mineral project” means an activity that involves or will involve exploration for, or development or production of, natural solid inorganic or natural fossilized organic material, or a royalty or similar interest in the activity;

“producing issuer” means an issuer with annual audited financial statements that disclose gross revenue derived from mining operations of

(a) not less than \$55 million Canadian for the issuer’s most recently completed financial year, and

(b) not less than \$165 million Canadian in the aggregate for the issuer’s 3 most recently completed financial years;

“professional association” means a self-regulatory organization of engineers, geoscientists or both that

(a) is

(i) authorized or recognized under a statute in a jurisdiction of Canada, or

(ii) a foreign association, the practices of which are generally accepted as reputable by the international mining industry,

(b) admits an individual on the basis of academic qualification, experience and ethical fitness,

(c) requires or imposes an obligation on its members to satisfy professional standards of competence and ethics established by the organization,

(d) requires, imposes obligations concerning or encourages continuing professional development, and

(e) has the power or ability and applies the power or uses the ability to discipline, suspend or expel a member regardless of where the member practises or resides;

“qualified person” means an individual who is a professional geoscientist, professional engineer or equivalent of either and

(a) has at least 5 years of experience as a professional geoscientist, professional engineer or equivalent of either in mineral exploration, mine development, mine operation or mineral project assessment, or any combination of these,

(b) has experience relevant to the subject matter of the mineral project,

- (c) is in good standing with a professional association, and
- (d) in the case of an individual who is a member of a foreign professional association, has a membership designation that
  - (i) requires or obligates the individual to have attained a position of responsibility in the individual's profession that requires the exercise of independent judgment, and
  - (ii) requires or obligates
    - (A) a favourable confidential peer evaluation of the individual's character, professional judgment, experience and ethical fitness, or
    - (B) a recommendation for membership of at least 2 peers and demonstrated prominence or expertise in the individual's field of practice;

"quantity" means tonnage or volume based on the standard applied in the mining industry to the type of mineral;

"technical report" means a report prepared and filed in accordance with this Instrument;

"written disclosure" includes any writing, picture, map or other printed representation, whether produced, stored or disseminated on paper or electronically.

### **CIM defined terms**

2. In this Instrument, each of the following terms is listed in the order it appears and has the meaning ascribed to it in the CIM Definition Standards for Mineral Resources & Mineral Reserves adopted by CIM, as amended from time to time:

- (a) exploration target;
- (b) mineral resource;
- (c) inferred mineral resource;
- (d) indicated mineral resource;
- (e) measured mineral resource;
- (f) modifying factors;
- (g) mineral reserve;
- (h) probable mineral reserve;
- (i) proven mineral reserve;
- (j) scoping study;
- (k) pre-feasibility study;
- (l) feasibility study;
- (m) life of mine plan.

### **Independence**

3. In this Instrument, a qualified person is independent concerning a technical report if there is no circumstance that, in the opinion of a reasonable person aware of all relevant facts, could interfere with the qualified person's judgment concerning the preparation of the technical report.

### **Non-application – certain SEC issuer filings**

4. This Instrument does not apply to written disclosure of scientific and technical information filed by an issuer if the written disclosure is disclosure material filed only to comply with paragraph 11.1 (1) (b) of National Instrument 51-102 *Continuous Disclosure Obligations*.

## PART 2 DISCLOSURE REQUIREMENTS

### All disclosure

5. An issuer that discloses scientific or technical information concerning a mineral project must
- (a) base the disclosure on information prepared by or under the supervision of a qualified person, or
  - (b) obtain prior approval of a qualified person to the disclosure.

### Disclosure of mineral resources or mineral reserves

6. An issuer that discloses any information concerning a mineral resource or mineral reserve must
- (a) use only the applicable mineral resource and mineral reserve categories set out in section 2,
  - (b) report each mineral resource and mineral reserve category separately and state whether mineral reserves are included in total mineral resources, and
  - (c) if the quantity of contained metal or mineral is included in the disclosure, state the grade or quality and the quantity for each category of mineral resources and mineral reserves.

### Restricted disclosure

7. (1) An issuer must not disclose the following:
- (a) a deposit's quantity, grade or quality, or metal or mineral content unless categorized as an inferred mineral resource, an indicated mineral resource, a measured mineral resource, a probable mineral reserve or a proven mineral reserve;
  - (b) an economic analysis unless it is based on a pre-feasibility study, feasibility study or life of mine plan;
  - (c) the gross value of metal or mineral in a sampled interval, drill intersection or deposit;
  - (d) a metal or mineral equivalent grade for a multiple commodity sampled interval, drill intersection or deposit, unless the issuer discloses the grade, prices, recoveries and any other conversion factors used to estimate the equivalent of each metal or mineral.
- (2) Paragraph (1) (a) does not apply to an issuer that discloses an exploration target if the issuer discloses
- (a) with the same prominence as and proximate to the disclosure, that the potential range of quantity and range of grade or quality is conceptual in nature, there has been insufficient exploration to define a mineral resource and it is uncertain if further exploration will result in the target being delineated as a mineral resource, and
  - (b) the basis on which the disclosed potential range of quantity and range of grade or quality have been determined.
- (3) Paragraph (1) (b) does not apply to an issuer that discloses an economic analysis in a scoping study if the disclosure states
- (a) with the same prominence as and proximate to the disclosure, that the scoping study is based on low-level technical and economic analysis and is insufficient to support estimation of mineral reserves, and that there is no certainty that the results or conclusions of the scoping study will be realized,
  - (b) with the same prominence as and proximate to the disclosure, if the scoping study includes inferred mineral resources,
    - (i) that the scoping study includes inferred mineral resources that have a lower level of confidence and cannot be converted to mineral reserves,
    - (ii) the percentage of inferred mineral resources, and
    - (iii) that the issuer is not using the scoping study to justify proceeding directly to a feasibility study,
  - (c) the basis for and any assumptions in the scoping study, and
  - (d) the impact of the scoping study on any pre-feasibility study or feasibility study.

- (4) An issuer must not use “scoping study”, “pre-feasibility study”, “feasibility study” or “life of mine plan” in disclosure unless the study satisfies the criteria set out in the definition of the applicable term referred to in section 2.

**Historical estimates**

8. An issuer that discloses a historical estimate using the terminology of the historical estimate must include the following in the disclosure:
- (a) the source and date of the historical estimate;
  - (b) the relevance of the historical estimate to the mineral project;
  - (c) the key assumptions, parameters and methods used to prepare the historical estimate;
  - (d) a statement indicating whether the historical estimate uses mineral resource or mineral reserve categories other than those listed in section 2 and, if so, an explanation of any differences;
  - (e) any updated estimates or data available to the issuer;
  - (f) a description of the work required to upgrade or verify the historical estimate as current mineral resources or mineral reserves;
  - (g) with the same prominence as and proximate to the disclosure, statements that
    - (i) a qualified person has not completed sufficient work to classify the historical estimate as current mineral resources or mineral reserves, and
    - (ii) the issuer is not treating the historical estimate as current mineral resources or mineral reserves.

**Limitation on disclaimers**

9. An issuer must not disclose scientific or technical information that contains a disclaimer of responsibility for, or limits any reliance by a person or company on, all or a part of the disclosure.

**PART 3 ADDITIONAL REQUIREMENTS FOR WRITTEN DISCLOSURE****Name of qualified person**

10. If an issuer makes written disclosure of scientific or technical information concerning a mineral project, the issuer must include in the disclosure the name and the relationship to the issuer of the qualified person who
- (a) prepared, or supervised the preparation of, the information that forms the basis for the written disclosure, or
  - (b) approved the written disclosure.

**Data verification**

11. If an issuer makes written disclosure of scientific or technical information concerning a mineral project, the issuer must include in the disclosure the following:
- (a) a statement indicating whether a qualified person verified data disclosed including, for greater certainty, sampling, analytical and other data underlying the information;
  - (b) steps taken by the qualified person to confirm that the data was generated using standards applied in the mining industry, was accurately transcribed from the original source and is suitable for use in and for the purposes of the disclosure;
  - (c) any limitations on the process used by the qualified person to verify the data and an explanation of any failure to verify the data;
  - (d) the qualified person’s opinion on the adequacy of the data for the purposes used in the disclosure.

**Exploration information**

12. (1) If an issuer makes written disclosure of exploration information concerning a mineral project, the issuer must include in the disclosure a summary of the following:

- (a) material results of surveys and investigations;
  - (b) an interpretation of the information;
  - (c) any quality assurance programs and quality control measures applied during the execution of work disclosed in the information.
- (2) If an issuer makes written disclosure of a sample, analytical or testing result concerning a mineral project, the issuer must include in the disclosure the following:
- (a) the location and type of each sample;
  - (b) the location, azimuth and dip of each drill hole and the depth of each sample interval;
  - (c) a summary of each relevant analytical value, each width and, to the extent known, the true width of each mineralized zone;
  - (d) each result of any significantly higher-grade interval within a lower-grade intersection;
  - (e) any sampling, drilling, recovery or other factors that could materially affect the accuracy or reliability of the sample, analytical or testing result;
  - (f) a summary description of the type of analytical or testing procedures used, sample size and the name and location of each analytical or testing laboratory used and any relationship of the laboratory to the issuer.
- (3) If an issuer makes written disclosure of information concerning mineralization of a mineral project in which the issuer does not have an interest, the issuer must include in the disclosure with the same prominence as and proximate to that disclosure a statement that the information is not necessarily indicative of the mineralization of the issuer's mineral project.

**Disclosure of mineral resources or mineral reserves**

13. If an issuer makes written disclosure of mineral resources or mineral reserves, the issuer must include in the disclosure the following:
- (a) the effective date of each estimate of mineral resources and mineral reserves;
  - (b) the quantity and grade or quality of each category of mineral resources and mineral reserves;
  - (c) the key assumptions, parameters and methods used to estimate the mineral resources and mineral reserves;
  - (d) any known legal, political, environmental or other risks that could materially affect the potential development of the mineral resources or mineral reserves;
  - (e) if the disclosure includes an economic analysis of mineral resources, a statement, with the same prominence as and proximate to the disclosure, that mineral resources that are not mineral reserves do not have demonstrated economic viability.

**Exception for written disclosure already filed**

14. Sections 11 and 12 and paragraphs 13 (a), (c) and (d) do not apply to an issuer if the issuer includes in the written disclosure the title and date of a document previously filed by the issuer in accordance with those provisions.

**PART 4 OBLIGATION TO FILE TECHNICAL REPORT****On becoming a reporting issuer**

15. (1) On becoming a reporting issuer, an issuer must file a technical report for each mineral project that is material to the issuer.
- (2) Subsection (1) does not apply to an issuer if the issuer is a reporting issuer in another jurisdiction of Canada and previously filed a technical report for the mineral project in that jurisdiction.
- (3) Subsection (1) does not apply to an issuer if the following apply:
- (a) the issuer previously filed a technical report for the mineral project;

- (b) on the date on which the issuer becomes a reporting issuer, there is no new material scientific or technical information concerning the mineral project that was not included in the previously filed technical report;
- (c) the previously filed technical report meets the requirements for a report filed under section 23, if applicable.

**In connection with mineral project disclosure**

- 16. (1)** An issuer must file a technical report to support scientific or technical information concerning a mineral project material to the issuer in any of the following documents filed or made available to the public:
- (a) a preliminary prospectus, other than a preliminary short form prospectus filed in accordance with National Instrument 44-101 *Short Form Prospectus Distributions*;
  - (b) a preliminary short form prospectus filed in accordance with National Instrument 44-101 *Short Form Prospectus Distributions* that discloses for the first time either of the following:
    - (i) mineral resources, mineral reserves or an economic analysis that constitutes a material change for the issuer;
    - (ii) a change in mineral resources, mineral reserves or an economic analysis from the issuer's most recently filed technical report if the change constitutes a material change for the issuer;
  - (c) an information or proxy circular concerning a direct or indirect acquisition of the mineral project;
  - (d) an offering memorandum, other than an offering memorandum delivered solely to an accredited investor as defined in section 1.1 of National Instrument 45-106 *Prospectus Exemptions*;
  - (e) an annual information form;
  - (f) a valuation required to be prepared and filed under securities legislation;
  - (g) a take-over bid circular, or a notice of change or variation of a take-over bid circular, that discloses mineral resources, mineral reserves or an economic analysis of the mineral project if securities of the offeror, as defined in National Instrument 62-104 *Take-Over Bids and Issuer Bids*, are being offered in exchange under the circular or notice of change or variation;
  - (h) written disclosure made by or on behalf of the issuer, other than in a document referred to in paragraphs (a) to (g), in which the issuer discloses for the first time either of the following:
    - (i) mineral resources, mineral reserves or an economic analysis that constitutes a material change for the issuer;
    - (ii) a change in mineral resources, mineral reserves or an economic analysis from the issuer's most recently filed technical report if the change constitutes a material change for the issuer.
- (2)** Subsection (1) does not apply to an issuer that discloses a historical estimate in a document referred to in paragraph (1) (h) if the disclosure is made in accordance with section 8.
- (3)** If an issuer files a technical report under paragraph (1) (a) or (b), and there is new material scientific or technical information concerning the mineral project before the filing of the final prospectus or short form prospectus, the issuer must file with the final prospectus or short form prospectus a revised technical report including the new information.
- (4)** Subject to subsections (5) and (6), an issuer must file a technical report referred to in subsection (1) not later than the issuer files or makes available to the public the applicable document under subsection (1).
- (5)** Despite subsection (4), an issuer must
- (a) file a technical report supporting disclosure under paragraph (1) (h) not later than,
    - (i) if the disclosure is also in a preliminary short form prospectus referred to in paragraph (1) (b) or a shelf prospectus supplement, the earlier of 45 days after the date of the disclosure and the date of filing of the prospectus or prospectus supplement,
    - (ii) if the disclosure is also in a directors' circular, the earlier of 45 days after the date of the disclosure and 3 business days before the expiry of the initial deposit period, and

- (iii) if the disclosure is made other than under subparagraphs (i) and (ii), 45 days after the date of the disclosure, and
  - (b) issue a news release at the time the issuer files the technical report disclosing the filing of the technical report and reconciling any material differences in the mineral resources, mineral reserves or economic analysis disclosed in the technical report filed under paragraph (a) and the disclosure under paragraph (1) (h).
- (6) An issuer is not required to file a technical report under subsection (4) or paragraph (5) (a) to support disclosure made under subparagraph (1) (h) (i) if the following apply:
- (a) the mineral resources, mineral reserves or economic analysis is disclosed in a technical report filed by or on behalf of another issuer that holds or previously held an interest in the mineral project;
  - (b) the disclosure includes
    - (i) information from the technical report referred to in paragraph (a), including, for greater certainty, the name of the other issuer, title and effective date,
    - (ii) the name of each qualified person who reviewed the technical report on behalf of the issuer, and
    - (iii) with the same prominence as and proximate to the disclosure, a statement that, to the best of the issuer's knowledge, information and belief, there is no new material scientific or technical information that would make the disclosure of the mineral resources, mineral reserves or economic analysis inaccurate or misleading;
  - (c) the issuer files a technical report concerning its disclosure of the mineral resources, mineral reserves or economic analysis
    - (i) if the disclosure is also in a preliminary short form prospectus or a shelf prospectus supplement, on the earlier of 180 days after the date of the disclosure and the date of filing of the final short form prospectus or prospectus supplement, and
    - (ii) if the disclosure is made other than under subparagraph (i), before or on the 180th day after the date of the disclosure.
- (7) Subsection (1) does not apply to an issuer if the following apply:
- (a) the issuer previously filed a technical report for the mineral project;
  - (b) on the date a document referred to in subsection (1) is filed by the issuer, there is no new material scientific or technical information concerning the mineral project that is not included in the issuer's previously filed technical report;
  - (c) the previously filed technical report meets the requirements for a report filed under section 23, if applicable.

**Royalty or similar interest**

17. Subsections 15 (1) and 16 (1) do not apply to an issuer if the issuer's only interest in a mineral project is a royalty or similar interest.

**PART 5 PREPARATION OF TECHNICAL REPORT****Required form**

18. An issuer that files a technical report must file a report prepared
- (a) by or under the supervision of one or more qualified persons
  - (b) in English or French, and
  - (c) in accordance with Form 43-101F1 *Technical Report*.

**Addressed to issuer**

19. A qualified person who prepares a technical report must address the report to the issuer.



**All relevant data**

20. A qualified person who prepares a technical report must base the report on all available data relevant to the disclosure that the technical report supports.

**Current personal inspection**

21. Before an issuer files a technical report, at least one qualified person responsible for preparing or supervising the preparation of all or part of the technical report must complete a current inspection, in person, of the mineral project that is the subject of the technical report.

**Execution**

22. Each qualified person responsible for preparing or supervising the preparation of all or a part of a technical report must date, sign and, if the qualified person has a seal, seal the report.

**Independent technical report**

23. (1) Each qualified person responsible for preparing or supervising the preparation of all or part of a technical report must be independent in accordance with section 3 if the report is required to be filed under any of the following:
- (a) section 15;
  - (b) paragraph 16 (1) (a);
  - (c) paragraph 16 (1) (b), (c), (d), (e), (g) or (h), if the document discloses either of the following:
    - (i) for the first time, mineral resources, mineral reserves or an economic analysis of a mineral project material to the issuer;
    - (ii) a 100% or greater change in the total mineral resources, the total mineral reserves or the results of an economic analysis of a mineral project material to the issuer since the issuer's most recently filed independently prepared technical report concerning the mineral project.
- (2) A qualified person referred to in subsection (1) must be independent on the effective date of the technical report and the date of filing of the technical report.
- (3) Subsection (1) does not apply to a qualified person if the technical report is required to be filed by
- (a) a producing issuer, or
  - (b) an issuer in a joint venture with a producing issuer concerning a mineral project, if each qualified person responsible for preparing or supervising the preparation of all or part of a technical report is an employee or consultant of the producing issuer.

**PART 6 CERTIFICATES AND CONSENTS****Certificate of qualified person**

24. (1) An issuer that files a technical report must file with the technical report a certificate of each qualified person responsible for preparing or supervising the preparation of all or part of the technical report that is dated, signed and, if the qualified person has a seal, sealed by the qualified person and states all of the following:
- (a) the name, address and occupation of the qualified person;
  - (b) the title and effective date of the technical report to which the certificate applies;
  - (c) the qualified person's qualifications, the name and designation of each professional association to which the qualified person belongs, a brief summary of the qualified person's experience relevant to the subject matter of the mineral project and that the qualified person is a qualified person in accordance with section 1;
  - (d) whether the qualified person has completed a current inspection, in person, of the mineral project and, if so, the date and duration of the inspection;
  - (e) each item of the technical report for which the qualified person is responsible;
  - (f) whether the qualified person is independent in accordance with section 3;

- (g) any prior involvement of the qualified person with the mineral project that is the subject of the technical report;
- (h) that the qualified person has read this Instrument and Form 43-101F1 *Technical Report* and that the technical report, or each part for which the qualified person is responsible, has been prepared in accordance with this Instrument;
- (i) that, on the effective date of the technical report, to the best of the qualified person's knowledge, information and belief, the technical report, or each part of the technical report for which the qualified person is responsible, contains all scientific and technical information that is required to be disclosed under this Instrument and Form 43-101F1 *Technical Report* to make the technical report not misleading.

**Consent of qualified person**

- 25. (1)** An issuer that files a technical report must file with the technical report a consent of each qualified person responsible for preparing or supervising the preparation of all or part of the technical report that is dated and signed by the qualified person and contains a statement
- (a) consenting to the public filing of the technical report,
  - (b) identifying the document that the technical report supports,
  - (c) consenting to the use of extracts from, or a summary of, the technical report in the document, and
  - (d) confirming that the qualified person has read the document and that the document fairly and accurately represents the information in the technical report for which the qualified person is responsible.
- (2)** Paragraphs (1) (b), (c) and (d) do not apply to an issuer that files a consent with a technical report filed under section 15.
- (3)** If an issuer has filed a consent under subsection (2) and the issuer is not required under subsection 16 (7) to file a new technical report to support disclosure in a document subsequently filed or made public under subsection 16 (1), the issuer must file a new consent of each qualified person responsible for preparing or supervising the preparation of all or part of the technical report that contains the statements referred to in paragraphs (b) to (d) of subsection (1).

**PART 7 EXEMPTIONS****Authority to grant exemption**

- 26. (1)** The regulator or the securities regulatory authority may grant an exemption from this Instrument, in whole or in part, subject to such conditions or restrictions as may be imposed in the exemption.
- (2)** Despite subsection (1), in Ontario, only the regulator may grant such an exemption.
- (3)** Except in Ontario, an exemption referred to in subsection (1) is granted under the statute referred to in Appendix B to National Instrument 14-101 *Definitions* opposite the name of the local jurisdiction.

**PART 8 REPEAL AND EFFECTIVE DATE OF INSTRUMENT****Repeal**

- 27.** National Instrument 43-101 *Standards of Disclosure for Mineral Projects* is repealed.

**Effective date of Instrument**

- 28. (1)** This Instrument comes into force on ●.
- (2)** In Saskatchewan, despite subsection (1), if this Instrument is filed with the Registrar of Regulations after ●, this Instrument comes into force on the day on which it is filed with the Registrar of Regulations.

**ANNEX B**

**Form 43-101F1  
Technical Report**

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**ITEM**

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**Proposed Form 43-101F1**  
**Technical Report**

**INSTRUCTIONS:**

- (1) *A technical report is a summary document of all relevant scientific and technical information concerning mineral exploration, development, and production activities on a mineral project that is material to an issuer. This Form sets out the requirements for the preparation and content of a technical report.*
- (2) *Do not incorporate by reference any previous disclosure.*
- (3) *A term used in this Form that is defined or interpreted in the Instrument has that definition or interpretation.*
- (4) *Be concise and include sufficient context and cautionary language to allow a reasonable person to understand the nature, importance and limitations of the data, interpretations and conclusions summarized in the technical report.*
- (5) *Include all headings and information specified under Items 1 to 12 and 23 to 27 of this Form. For all other headings and Items in this Form, include the headings and information that are relevant to the mineral project. Disclosure included under one Item is not required to be repeated under another Item.*
- (6) *Do not include appendices with excessive information.*
- (7) *Guidance on how to prepare the technical report can be found in the Companion Policy 43-101CP.*

**CONTENTS OF THE TECHNICAL REPORT**

**Title Page**

Include on the first or front page of the technical report the following:

- (a) the title;
- (b) the name of the mineral project;
- (c) the stage of the mineral project;
- (d) the name of each issuer for which the report has been prepared;
- (e) the country in which the mineral project is located and its general location within the country;
- (f) the name and professional designation of each qualified person;
- (g) the effective date.

**Date and Signature Page**

Include a signature page, at the beginning or end of the technical report, signed in accordance with section 22 of the Instrument. Include on the signature page the effective date of the technical report and the date that the report is signed.

**Table of Contents**

Provide a table of contents listing the contents of the technical report and all figures and tables.

**Illustrations**

Include legible maps, plans and sections, all prepared at scales that distinguish important features. Date each map and include a legend, author or information source, a scale in bar or grid form and an arrow indicating north. Include a location or index map and a compilation map outlining the general geology of the mineral project. Include more detailed maps showing important features described in the technical report, relative to the mineral project boundaries. For greater certainty, include the following important features, as applicable:

- (a) areas of previous exploration, and the location of known mineralization, geochemical or geophysical anomalies, drilling and mineral deposits;
- (b) the location and surficial outline of mineral resources, mineral reserves and areas for potential access and infrastructure;

- (c) the location of pit limits, underground developments, plant sites, tailings storage areas, waste disposal areas and all other significant infrastructure features.

**Requirements for All Technical Reports****Item 1: Summary**

Briefly summarize important information in the technical report, including, for greater certainty, mineral project description and ownership, geology and mineralization, status of exploration, development and operations, mineral resource and mineral reserve estimates and the conclusions and recommendations of each qualified person responsible for preparing or supervising the preparation of all or part of the technical report.

**Item 2: Introduction**

Include a description of the following:

- (a) each issuer for which the technical report is prepared;
- (b) the terms of reference for and purpose for which the technical report is prepared;
- (c) the sources of information and data in the technical report or used in its preparation, with citations if applicable.

**Item 3: Reliance on Other Experts:**

Do not rely on a report, opinion or statement of a person or company that is not a qualified person for any part of the technical report other than legal, political, environmental or tax matters. If a qualified person who prepares or supervises the preparation of all or part of a technical report relies on a report, opinion or statement of an expert, or information provided by the issuer, concerning legal, political, environmental or tax matters, identify the following:

- (a) the source relied on, including, for greater certainty, the date, title and author of the report, opinion, statement or information, as applicable;
- (b) the extent to which the qualified person relies on the report, opinion, statement or information;
- (c) each part of the technical report to which the reliance applies.

**Item 4: Mineral Project Description and Location**

Describe the following, as applicable:

- (a) the area of the mineral project in hectares or other applicable units;
- (b) the location of the mineral project, using an easily recognizable geographic and grid location system;
- (c) the type, identifying name or number and expiration date of each mineral tenure comprising the mineral project;
- (d) the nature and extent of the issuer's title to or interest in the mineral project including, for greater certainty, surface rights and legal access, and the obligations that must be met to retain the issuer's title to or interest in the project;
- (e) any permit or agreement required under laws to conduct the work proposed for the mineral project, including, for greater certainty, those with Indigenous Peoples, rightsholders or communities, as applicable, and whether the permits or agreements have been obtained or entered into;
- (f) the terms of any agreement concerning royalties, back-in rights or payments, and any encumbrances, to which the mineral project is subject;
- (g) to the extent known, any environmental liabilities to which the mineral project is subject;
- (h) any significant factors and risks that are not described in paragraphs (a) to (g) that may affect the ability to perform work on the mineral project.

**Item 5: Accessibility, Local Resources, Infrastructure and Physiography**

Describe the following:

- (a) topography and elevation of the mineral project;

- (b) the means of access to the mineral project;
- (c) the proximity of the mineral project to a population centre and to any protected or sensitive environmental or cultural areas;
- (d) if relevant to the mineral project, the length of the operating season and an explanation of any constraints;
- (e) if relevant to the mineral project, the sufficiency of surface rights for mining operations and the availability and sources of power, water, personnel, potential tailings storage areas, potential waste disposal areas, potential heap leach pad areas and potential processing plant sites.

**Item 6: History**

If relevant, summarize the following:

- (a) the prior ownership, and any changes in prior ownership, of the mineral project;
- (b) the type, amount, quantity and general results of exploration and development work undertaken by or on behalf of any previous owners or operators of the mineral project;
- (c) historical estimates in accordance with section 8 of the Instrument;
- (d) any production from the mineral project.

**Item 7: Geological Setting and Mineralization**

Include the following:

- (a) a summary of the regional setting and mineral project geology;
- (b) a summary of the significant mineralized zones encountered on the mineral project, including, for greater certainty, a summary of the surrounding rock types, relevant geological controls and the length, width, depth and continuity of the mineralization, and a description of the type, character and distribution of the mineralization;
- (c) if the technical report includes a discussion of mineralization on a neighbouring or analogue project, a statement with the same prominence as and proximate to the discussion that the discussion is not necessarily indicative of the mineralization on the mineral project that is subject of the technical report.

**Item 8: Deposit Type**

Describe the mineral deposit types being investigated or being explored for and the geological model or concepts being applied and on the basis of which the exploration program is planned.

**Item 9: Exploration**

Describe the nature and extent of all relevant exploration work by the issuer, other than drilling, including the following:

- (a) the procedures and parameters relating to surveys and investigations;
- (b) the sampling methods and sample quality, including whether samples are representative, and any factors that may have resulted in sample biases;
- (c) the location, number, type, nature and spacing or density of samples collected and the size of the area covered;
- (d) the significant results and interpretation of the exploration information.

**Item 10: Drilling**

Describe the following, as applicable:

- (a) the type and extent of drilling, including procedures followed, a summary and interpretation of all relevant results and, if applicable, drilling conducted from previous operations;
- (b) any drilling, sampling or recovery factors that could materially impact the accuracy and reliability of the results including, for greater certainty, any underground sampling or test work;
- (c) for a mineral project without mineral resources, the following:

- (i) the location, azimuth and dip of any drill hole, and the depth of the relevant sample intervals;
- (ii) the relationship between the sample length and the true thickness of the mineralization, if known, and if the orientation of the mineralization is unknown, state this;
- (iii) the results of any significantly higher-grade intervals within a lower-grade intersection.

**Item 11: Sample Preparation, Analyses and Security**

Include the following:

- (a) a description of sample preparation methods and quality control measures used before dispatch of samples to an analytical or testing laboratory, the method or process of sample splitting and reduction and the security measures taken to ensure the validity and integrity of samples taken;
- (b) a description of relevant information regarding sample preparation, assaying and analytical procedures used, the name and location of each analytical or testing laboratory, the relationship of the laboratory to the issuer and whether the laboratory is certified by any standards association and, if so, the particulars of any certification;
- (c) a summary of the nature, extent and results of quality control procedures used, and quality assurance actions taken or recommended, to provide adequate confidence in data collected and processed under this Item;
- (d) the qualified person's opinion on the adequacy of sample preparation, security and analytical procedures.

**Item 12: Data Verification**

Describe the data verification steps taken by each qualified person who prepared or supervised the preparation of all or part of an Item of the technical report and include the following:

- (a) the information required under section 11 of the Instrument;
- (b) an opinion on the adequacy of the data for the purposes used in the technical report.

**Item 13: Metallurgical Testing**

If metallurgical testing analyses have been carried out, discuss the following:

- (a) the nature and extent of the testing and analytical procedures and, in summary form, the relevant results;
- (b) the basis for any assumptions or predictions regarding recovery estimates;
- (c) the degree to which test samples are representative of the various types and styles of mineralization and the mineral deposit as a whole;
- (d) any factors or deleterious elements that could have a significant effect on potential economic extraction.

**Item 14: Mineral Resource Estimates**

If the technical report includes disclosure of mineral resources, include the following, as applicable:

- (a) the key assumptions, parameters and methods used to estimate the mineral resource and how it was generated;
- (b) the inputs for each cut-off grade or economic limit and how they meet the test of "reasonable prospects for eventual economic extraction", as defined by CIM;
- (c) if the grade for a multiple commodity mineral resource is reported as a metal or mineral equivalent, the individual grade of each metal or mineral and the metal prices, recoveries and other relevant conversion factors used to estimate the metal or mineral equivalent grade;
- (d) a general discussion of the criteria used to classify the mineral resource, the average drill or sample spacing, the continuity of the important zones in the mineralization model and, if applicable, a relevant visual representation;
- (e) the statistical representation of the distribution of distances from the nearest data support for each category of the mineral resource;

- (f) the mineral resources reported on a 100% basis and, if the issuer does not hold the mineral resources on a 100% basis, the percentage of the mineral resources attributable to the issuer;
- (g) if known, any environmental, permitting, legal, title, taxation, rightsholder, socio-economic, marketing, political and other relevant factors that could materially affect the mineral resource estimate;
- (h) if multiple cut-off grade scenarios are presented, identification of the base case or preferred scenario.

**Item 15: Mineral Reserve Estimates**

If the technical report includes disclosure of mineral reserves, include a discussion of the following, as applicable:

- (a) the key assumptions, parameters and methods and the application of the modifying factors explaining how a qualified person converted the mineral resources to mineral reserves;
- (b) if the grade for a multiple commodity mineral reserve is reported as a metal or mineral equivalent, the individual grade of each metal or mineral and the metal prices, recoveries and any other relevant conversion factors used to estimate the metal or mineral equivalent grade;
- (c) if known, any mining, metallurgical, infrastructure, environmental, permitting, rightsholder and other relevant factors that could materially affect the mineral reserve estimate.

**Item 16: Mining Methods**

Discuss the current or proposed mining methods and provide a summary of the relevant information used to establish the amenability or potential amenability of the mineral resources or mineral reserves to the proposed mining methods. If relevant, include the following, as applicable:

- (a) geotechnical, hydrological and other parameters of the mine or pit designs and plans;
- (b) production rates, expected mine life, mining unit dimensions, strip ratio, mining dilution and mining loss factors used;
- (c) requirements for stripping, underground development and backfilling;
- (d) the necessary type of mining fleet and machinery used or to be used.

**Item 17: Processing Methods**

Discuss reasonably available information on test or operating results relating to the recoverability of the valuable component or commodity and amenability of the mineralization to the proposed processing methods. If relevant, include the following, as applicable:

- (a) a description or flow sheet of any current or proposed process plant;
- (b) plant design, equipment characteristics and specifications;
- (c) current or projected requirements for energy, water and process materials.

**Item 18: Mineral Project Infrastructure**

Summarize applicable infrastructure and logistics necessary for the mineral project. If relevant, include the following, as applicable:

- (a) roads, rail, port facilities, power and pipelines;
- (b) leach pads, waste dumps and stockpiles;
- (c) tailings storage facilities;
- (d) site monitoring and water management requirements during operations and after closure.

**Item 19: Market Studies and Contracts**

If relevant, include the following, as applicable:

- (a) a summary of available information concerning markets for the issuer's production, including the nature and material terms of any agency relationships;



- (b) a discussion of the nature of any studies or analyses completed by the issuer on commodity price projections, product valuations, market entry strategies or product specifications and confirmation that a qualified person has reviewed the studies or analyses and that the results of the studies or analyses support the assumptions in the technical report;
- (c) a list of contracts required to develop the mineral project including, for greater certainty, mining, concentrating, smelting, refining, transportation, sales and hedging, handling, and forward sales contracts or arrangements, a list of those entered into and a discussion of whether the terms, rates or charges are within industry norms.

**Item 20: Environmental Studies, Permitting and Regional or Local Impact**

Discuss available information on environmental, permitting and other regional or local factors concerning the mineral project, including, in each case the source of the information. If relevant, include a list of the following, as applicable:

- (a) the date of any environmental study and a discussion of any known environmental issues that could impact the issuer's ability to extract the mineral resources or mineral reserves;
- (b) regional, local or other permitting requirements or obligations and plans for the mineral project including, for greater certainty, the status and date of any permit application and any known requirements or obligations to post performance or reclamation bonds;
- (c) the status and dates of any negotiations or agreements entered into with Indigenous Peoples, rightsholders or communities.

**Item 21: Capital and Operating Costs**

Provide the following concerning the mineral project, as applicable:

- (a) in tabular form, the capital and operating cost estimates and an explanation of the accuracy of the estimates;
- (b) the key assumptions, parameters and an explanation of the basis for the cost estimates, including the related contingency;
- (c) an explanation of any cost estimate classification used and the level and accuracy of each important element;
- (d) the costs related to closure, remediation and reclamation;
- (e) the extent to which any known environmental, permitting, legal, title, taxation, rightsholder, socio-economic, marketing, political or other relevant factors could materially affect the capital and operating cost estimates.

**Item 22: Economic Analysis**

Other than for a mineral project of a producing issuer for which the issuer is not materially expanding current production, provide an economic analysis for the mineral project that includes the following:

- (a) a clear statement of and justification for the principal assumptions;
- (b) discounted cash flow forecasts on an annual basis using mineral reserves or mineral resources, an annual production schedule for the life of the mineral project and a discussion of how the risk-adjusted discount rate applied in the forecasts was selected;
- (c) a presentation of both pre-tax and post-tax net present value, internal rate of return and payback period of capital and a discussion of how each of these was determined;
- (d) a summary of applicable taxes, royalties and government levies including, for greater certainty, those applicable to production and to revenue or income from the mineral project;
- (e) sensitivity or other analysis using variants in commodity price, grade, capital and operating costs, discount rate or other significant parameters, as applicable, including a discussion of the impact of the results.

**Item 23: Current Personal Inspection**

Disclose the following details of the current personal inspection of the mineral project, required under section 21 of the Instrument, by each qualified person, as applicable:

- (a) the date and duration of the inspection;

- (b) the observations made concerning the Items of the Form for which the qualified person is responsible;
- (c) the conditions of the mineral project;
- (d) any confirmation sampling or testing conducted under this Item, including results.

**Item 24: Other Relevant Data and Information**

Include any additional information or explanation necessary to make the technical report not misleading.

**Item 25: Interpretation and Conclusions**

Summarize the results and interpretations of the information and analysis in the technical report. Discuss any risks and uncertainties that could be expected to affect the reliability of or confidence in the exploration information, mineral resource or mineral reserve estimates or economic analysis. Discuss any foreseeable impacts of these risks and uncertainties on the mineral project's potential economic viability or continued viability.

**Item 26: Recommendations**

Provide details of the recommended work program and a breakdown of costs. If the work program is recommended to be undertaken in phases, do not provide more than 2 consecutive phases and state whether advancing to the subsequent phase is contingent on positive results in the previous phase.

**Item 27: References**

Include a list of all references cited in the technical report.

**ANNEX C**

**Companion Policy 43-101  
Standards of Disclosure for Mineral Projects**

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The purpose of this Companion Policy is to explain how the securities regulatory authorities or regulators (we or us) interpret or apply certain provisions of National Instrument 43-101 *Standards of Disclosure for Mineral Projects* (the Instrument), including Form 43-101F1 *Technical Report* (the Form).

**GENERAL GUIDANCE**

- (1) **Application of the Instrument** – The Instrument establishes standards for disclosure of scientific and technical information regarding mineral projects and requires that the disclosure be based on a technical report or other information prepared by or under the supervision of a qualified person. The Instrument does not apply to disclosure concerning petroleum, natural gas, helium, bituminous sands or shales, groundwater, coal bed methane, or other substances that do not fall within the meaning of the term “mineral project” in section 1 of the Instrument. We consider that solid minerals extracted from brines are captured under the term “mineral project”.
- (2) **Supplements other requirements** – The Instrument supplements other continuous disclosure requirements of securities legislation that apply to reporting issuers in all business sectors.
- (3) **Forward-looking information** – Part 4 of National Instrument 51-102 *Continuous Disclosure Obligations* (NI 51-102) sets out the requirements for disclosing forward-looking information. Frequently, scientific and technical information about a mineral project includes or is based on forward-looking information. A mining issuer that is a reporting issuer must comply with the requirements of Part 4A of NI 51-102, including only disclosing forward-looking information for which the issuer has a reasonable basis, identifying material forward-looking information, stating material factors and assumptions used, and providing the required cautions. Examples of forward-looking information include metal price assumptions, cash flow forecasts, projected capital and operating costs, metal or mineral recoveries, mine life and production rates, and other assumptions used in a scoping study, pre-feasibility study or feasibility study.
- (4) **Materiality** – An issuer should determine materiality in the context of the issuer’s overall business and financial condition considering qualitative and quantitative factors, assessed in respect of the issuer as a whole. In making materiality judgments, an issuer should consider a number of factors that cannot be captured in a simple bright-line standard or test, including the potential effect on both the market price and value of the issuer’s securities considering the current market activity. An assessment of materiality depends on the context. Information that is immaterial today could be material tomorrow; an item of information that is immaterial alone could be material if it is aggregated with other items.
- (5) **Mineral project material to the issuer** – An actively trading issuer, in most circumstances, will have at least one material mineral project. Some issuers may hold multiple mineral projects at similar stages of development and will need to assess whether all mineral projects are material. We will assess an issuer’s view of the materiality of a mineral project based on its disclosure record, its deployment of resources, and other indicators. For example, we will likely conclude that a mineral project is material if any of the following apply:
  - (a) the issuer’s disclosure record is focused on the mineral project;
  - (b) the issuer’s disclosure record indicates or suggests the results are significant or important;
  - (c) the cumulative and projected acquisition costs or proposed exploration expenditures are significant compared to the issuer’s other mineral projects; or
  - (d) the issuer is raising significant money or devoting significant resources to the exploration and development of the mineral project.

In determining if a mineral project is material, the issuer should consider how important or significant the mineral project is to its overall business, and in comparison to its other mineral projects. For example:

- (a) mineral projects with mineral resources, economic analyses, mineral reserves, or in production, in most cases, will be more likely to be material than mineral projects without these;
- (b) historical expenditures or book value might not be a good indicator of materiality for an inactive mineral project if the issuer is focussing its resources on new mineral projects;
- (c) a small interest in a sizeable mineral project might, in the circumstances, not be material to the issuer;
- (d) a royalty or similar interest in a mineral project with mineral resources, economic analyses, mineral reserves, or in production could be material to the issuer in comparison to its active mineral projects; or

- (e) several non-material mineral tenures in an area or region, when taken as a whole, could be a material mineral project of the issuer.
- (6) **Use of plain language** – An issuer and qualified person should apply plain language principles when preparing disclosure regarding mineral projects, keeping in mind that the investing public are often not mining experts. Written disclosure should be presented in an easy-to-read format using clear and unambiguous language and, wherever possible, should present data in table format. This includes information in the technical report, to the extent possible. We recognize that the technical report does not always lend itself well to plain language and therefore the issuer might want to consult the responsible qualified person when restating the data and conclusions from a technical report in its public disclosure.
- (7) **Industry practice guidelines** – While the Instrument sets standards for disclosure of scientific and technical information about a mineral project, the standards and methodologies for collecting, analysing and verifying this information are the responsibility of the qualified person. CIM has published and adopted several industry practice guidelines to assist qualified persons and other practitioners. These guidelines, as amended and supplemented, are posted on <https://mrmr.cim.org/> and include Exploration, Estimation of Mineral Resources / Mineral Reserves, Mineral Processing, Environmental Social and Governance, and others.

The Instrument does not require a qualified person to follow CIM practice guidelines. However, we think that a qualified person, acting in compliance with the professional standards of competence and ethics established by their professional association, will use procedures and methodologies that are consistent with industry standard practices, as established by CIM or similar organizations in other jurisdictions. Issuers that disclose scientific and technical information that does not conform to industry standard practices could be making misleading disclosure, which is an offence under securities legislation.
- (8) **Objective standard of reasonableness** – Where a determination about the definitions or application of a requirement in the Instrument turns on reasonableness, the test is objective, not subjective. It is not sufficient for an officer of an issuer or a qualified person to determine that they personally believe the matter under consideration. The individual must form an opinion as to what a reasonable person would believe in the circumstances.
- (9) **Improper use of terms in the French language** – For an issuer preparing its disclosure using the French language, the words “gisement” and “gîte” have different meanings and using them interchangeably or in the wrong context may be misleading. The word “gisement” means a mineral deposit that is a continuous, well-defined mass of material containing a sufficient volume of mineralized material that can be or has been mined legally and economically. The word “gîte” means a mineral deposit that is a continuous, defined mass of material, containing a volume of mineralized material that has had no demonstration of economic viability.
- (10) **Improper use of terms “NI 43-101 compliant” or “NI 43-101 non-compliant”** – Issuers should not refer to their exploration results, mineral resource estimates, mineral reserve estimates, or mining study as being “NI 43-101 compliant” or “NI 43-101 non-compliant” as these phrases are potentially misleading as we do not provide issuers with this determination. Issuers should instead characterize their results, estimates, or mining study as being “reported in accordance with NI 43-101” and should refer to a technical report as being “prepared in accordance with NI 43-101.”

## **A. GUIDANCE TO THE INSTRUMENT**

### **PART 1 DEFINITIONS, INTERPRETATION AND APPLICATION**

#### **Section 1 Definitions**

- (a) “effective date” – This is the cut-off date for the scientific and technical information included in the disclosure. Under section 24 of the Instrument, the qualified person must provide their certificate as at the effective date of the technical report and specify this date in their certificate. The effective date can precede the date of signing the technical report but if there is too long a period between these dates, the issuer is exposed to the risk that new material or relevant information could become available, and the technical report would then not be current. Please see additional guidance in Part B. Guidance to the Form: *Dates and Signatures* of this Companion Policy.
- (b) “mineral project” – We consider a mineral project to include multiple mineral tenures that are contiguous or in such close proximity that any underlying mineral deposits would likely be developed using common infrastructure. If an issuer discovers or acquires a mineral deposit that may benefit from shared infrastructure or synergies with other mineral deposits, we will consider all underlying mineral deposits to be part of a single mineral project for the purpose of a technical report.

We do not consider the definition of mineral project to include standalone roasters, smelters, refineries, process plants, or other facilities that are not developed in conjunction with a specific deposit, mineral resource or mineral reserve.

- (c) “professional association” – Paragraph (a) (ii) of the definition of “professional association” in the Instrument includes a test for determining what constitutes an acceptable foreign association. In assessing whether a foreign organization is a professional association, we will consider the reputation of the association and whether it is substantially like a professional association in a jurisdiction of Canada.

Appendix A to this Companion Policy provides a list of the foreign associations that we consider to be professional associations as of the effective date of the Instrument. The listing of a professional association on Appendix A is only for purposes of the Instrument and does not supersede or alter local requirements where geoscience or engineering is a regulated profession.

An issuer that wishes to rely on a qualified person that is a member of a professional association not included in Appendix A, but which the issuer believes meets the tests in the Instrument, may make submissions to have the association added to Appendix A. Submissions should include appropriate supporting documentation. The issuer should allow sufficient time for its submissions to be considered before naming the qualified person in connection with its disclosure or filing any technical report signed by the qualified person.

- (d) “qualified person” – The definition of “qualified person” in the Instrument does not include engineering or geoscience technicians, engineers or geoscientists in training, or any designation that restricts an individual’s scope of practice or requires the individual to practise under the supervision of a professional engineer, professional geoscientist, or equivalent.

The obligation of a qualified person to take responsibility for disclosure in the Instrument should be interpreted as requiring the qualified person to have read the Instrument and Form, and to be able to demonstrate their understanding of standards of disclosure for mineral projects.

Paragraph (a) of the definition requires 5 years of professional experience, which must be gained after the individual becomes registered as a professional geoscientist, professional engineer, or equivalent. The 5 years of professional experience can be from Canadian or foreign professional registration or a combination thereof.

Paragraph (b) of the definition requires a qualified person to have appropriate experience relevant to the subject matter of the mineral project, which we interpret to mean a level of experience sufficient to be able to identify with substantial confidence valid assumptions, risks and any problems that could affect the reliability of data related to the mineral project. This includes relevant experience acquired before or after the completion of any related professional registration. Relevance to the subject matter of the mineral project is not restricted to commodity type but may include deposit type and style of mineralization, as well as the specific type of activity being undertaken by the individual which often relates to the development stage of the mineral project and the individual’s area of practice. An individual acting as a qualified person should be clearly satisfied that they could face their peers and demonstrate competence and relevant experience within their area of practice.

Paragraphs (c) and (d) of the definition refer to the Canadian and foreign professional registration requirements that are treated similarly.

Paragraph (c) of the definition requires a qualified person to be “in good standing”, this includes satisfying any related registration, licensing or other requirements of the professional association. Individual Canadian provincial and territorial legislation may require a qualified person to be registered if practising in that jurisdiction of Canada. It is the responsibility of the qualified person, in compliance with their professional association’s code of ethics, to comply with any laws requiring licensure of geoscientists and engineers.

Paragraph (d) of the definition includes a test for what constitutes an acceptable membership designation in a foreign professional association. Appendix A to this Companion Policy provides a list of the membership designations that we think meet this test as of the effective date of the Instrument. In assessing whether we think a membership designation meets the test, we will consider whether it is substantially like a membership designation in a professional association in a jurisdiction of Canada.

We interpret the reference to demonstrated prominence or expertise in subparagraph (d) (ii) (B) to mean having the membership designation equivalent to Canadian professional registration requirements. This includes at least 5 years of professional experience and satisfying an additional entrance requirement relating to level of responsibility. Some examples of such a requirement are:

- (i) at least 3 years in a position of responsibility where the individual was depended on for significant participation and decision-making;
- (ii) experience of a responsible nature and involving the exercise of independent judgment in at least 3 of those years; or

- (iii) at least 5 years in a position of major responsibility, or a senior technical position of responsibility.
- (e) “technical report” – We expect a technical report to include a summary of all relevant information about the mineral project. The qualified person is responsible for preparing the technical report. Therefore, it is the qualified person, not the issuer, who has the responsibility of determining the relevance of the scientific or technical information to be included in the technical report.

A report may constitute a “technical report” as defined in the Instrument, even if prepared before the date the technical report is required to be filed, provided the information in the technical report remains accurate and complete as at the required filing date. However, a report that an issuer files that is not required under the Instrument will not be considered a technical report until such time as the Instrument requires the issuer to file it and the issuer has filed all certificates and consents of qualified persons required under the Instrument.

### **Section 3 Independence**

When an independent qualified person is required, an issuer and a qualified person should apply the test in section 3 of the Instrument to confirm that the requirement is met. The below is a non-exhaustive list of circumstances when we would consider that a qualified person is not independent for the purposes of the Instrument. There may be other circumstances when an individual would not be considered independent.

We consider that a qualified person is not independent if the individual:

- (a) is or expects to be an employee, insider or director of the issuer;
- (b) is or expects to be an employee, insider or director of a related party of the issuer;
- (c) is or expects to be a partner of a person or company in paragraph (a) or (b);
- (d) holds or expects to hold securities, either directly or indirectly, of the issuer or a related party of the issuer, as defined in securities legislation;
- (e) holds or expects to hold securities, either directly or indirectly, in another issuer that has a direct or indirect interest in the mineral project that is the subject of the technical report or in a neighbouring mineral project;
- (f) is or expects to be an employee, insider or director of another issuer that has a direct or indirect interest in the mineral project that is the subject of the technical report or in a neighbouring mineral project; or
- (g) has or expects to have, directly or indirectly, an ownership, royalty or other interest in the mineral project that is the subject of the technical report or a neighbouring mineral project.

As well, in some cases, it might be reasonable to consider that independence is not compromised even though the qualified person holds an interest in the issuer’s securities, the securities of another issuer with an interest in the subject mineral project, or in a neighbouring mineral project. The issuer needs to determine whether a reasonable person would consider such interest would interfere with the qualified person’s judgment regarding the preparation of the technical report.

## **PART 2 DISCLOSURE REQUIREMENTS**

### **Section 5 All disclosure**

- (a) **Disclosure is the responsibility of the issuer** – Primary responsibility for public disclosure remains with the issuer and its directors and officers. The qualified person is responsible for preparing or supervising the preparation of the technical report and providing scientific and technical advice in accordance with applicable professional standards. The proper use, by or on behalf of the issuer, of the technical report and other scientific and technical information provided by the qualified person is the responsibility of the issuer and its directors and officers.

The onus is on the issuer and its directors and officers and, in the case of a filed document, each signatory to the document, to ensure that disclosure in the document is consistent with the related technical report or technical advice or opinion. An issuer should consider having the qualified person review disclosure that summarizes or restates the technical report or the technical advice or opinion to ensure that the disclosure is accurate.

- (b) **Material information not confirmed by a qualified person** – Securities legislation requires an issuer to disclose material facts and to make timely disclosure of material changes. We recognize that there can be circumstances in which an issuer expects that certain information concerning a mineral project may be material notwithstanding the fact that a qualified person has not prepared or supervised the preparation of the information. In this situation, the issuer may file a confidential material change report concerning this information while a qualified person reviews the information. Once a



qualified person has confirmed the information, the issuer can issue a news release and the basis of confidentiality will end.

During the period of confidentiality, persons in a special relationship to the issuer are prohibited from tipping or trading until the information is disclosed to the public. National Policy 51-201 *Disclosure Standards* provides further guidance about materiality and timely disclosure obligations.

- (c) **Making information available to the public** – Issuers should consider broadly the various instances when information about mineral projects is made available to the public and whether the requirement in section 5 of the Instrument has been satisfied. This applies to a broad range of disclosure including, but not limited to, the following:
- public speeches, presentations or social media posts made by or shared by representatives of the issuer or on behalf of the issuer;
  - interviews involving representatives of the issuer or made on behalf of the issuer, where a transcript is not immediately available to the viewer;
  - information contained in a continuous disclosure filing required under securities legislation;
  - information contained in any written disclosure that is published by the issuer or a representative of the issuer in a manner which effectively reaches the public, whether or not filed with us;
  - information contained in written disclosure made in connection with a distribution of securities;
  - information contained in a presentation slide deck presented by a representative of the issuer or on behalf of the issuer; and
  - all forms of electronic transmission, including information contained in video or video transcripts, whether or not automatically generated, that are available to the public.

## **Section 6 Disclosure of mineral resources or mineral reserves**

Section 6 of the Instrument requires that an issuer disclosing mineral resources or mineral reserves use only the terms and categories in the CIM Definition Standards on Mineral Resources and Mineral Reserves adopted by CIM Council (CIM Definition Standards) as set out in section 2 of the Instrument. For mineral resources or mineral reserves estimated to another code, template or standard, these estimates of quantity and grade must be reported using the current CIM Definition Standards. Any differences or changes to comply with the CIM Definition Standards should be clearly explained. If an issuer wishes to announce an acquisition or proposed acquisition of a mineral project that contains estimates of quantity and grade that are not in accordance with the CIM Definition Standards, the issuer might be able to disclose the estimate as an historical estimate, in compliance with section 8 of the Instrument. However, it might be more appropriate for the issuer to disclose the estimate as an exploration target in compliance with subsection 7 (2) of the Instrument if the supporting information for the estimate is not well-documented.

## **Section 7 Restricted disclosure**

- (a) **Use of term “ore”** – The use of the word “ore” in the context of mineral resource estimates is potentially misleading because “ore” implies technical feasibility and economic viability that should only be attributed to mineral reserves.
- (b) **Economic analysis** – Subject to subsection 7 (3) of the Instrument, paragraph 7 (1) (b) of the Instrument prohibits disclosure of the results of an economic analysis unless the disclosure is based on the results of a pre-feasibility study, feasibility study, or life of mine plan as set out in section 2 of the Instrument and defined by CIM. Results of an economic analysis provide forward-looking information such as projected capital and operating costs, cash flow forecasts, production rates, net present value, internal rate of return, payback period and mine life. Disclosing results of an economic analysis not based on the results of a pre-feasibility study, feasibility study, or life of mine plan may be potentially misleading as the results of the economic analysis may not have a reasonable basis. For example, CIM considers the level of geologic knowledge and confidence in inferred mineral resources is insufficient to allow the meaningful application of technical and economic parameters or to enable an evaluation of economic viability worthy of public disclosure.

Despite paragraph 7 (1) (b) of the Instrument, subsection 7 (3) of the Instrument permits an issuer to disclose the results of an economic analysis from a scoping study, as set out in section 2 of the Instrument and defined by CIM. A scoping study may include or be based on inferred mineral resources provided the issuer complies with all the requirements of subsection 7 (3) of the Instrument. The issuer must also include the cautionary statement under paragraph 13 (e) of the Instrument, which applies to disclosure of all economic analyses of mineral resources, to further alert investors to the limitations of the information. The exception under subsection 7 (3) of the Instrument does not allow an issuer to disclose the results of an economic analysis using an exploration target, an historical estimate, or by-product commodities not included in the mineral resource estimate as these do not have a reasonable basis for forward looking information.

- (c) **Gross value of metal or mineral** – We interpret gross metal value or gross mineral value to include any representation of the potential monetary value of the metal or mineral in the ground that does not take into consideration the costs, recoveries and other relevant factors associated with the extraction and recovery of the metal or mineral. We consider this type of disclosure to be misleading because it overstates the potential value of the mineral deposit.
- (d) **Metal equivalents** – As there is no standard equation for metal or mineral equivalents, an issuer may disclose metal equivalents provided they comply with the conditions of paragraph 7 (1) (d) of the Instrument. The metal chosen for reporting on an equivalent basis should be the metal that contributes most to the metal equivalent grade. An issuer may satisfy the requirement to disclose metallurgical recoveries through the results of metallurgical test work. If metallurgical test work is not available, an issuer may include reasonable assumptions for recoveries from analogue deposits. For mineral projects where metallurgical recoveries cannot be assumed with reasonable confidence, reporting of metal equivalents may be misleading.

We consider disclosure of metal equivalents without considering metallurgical recoveries or other relevant factors misleading because it overstates the amount of metal that may eventually be obtained. Similarly, all elements included in the metal equivalent should have a reasonable potential to be recovered and sold.

If an issuer discloses metal equivalents calculated entirely by price-weighting, we consider this type of disclosure to be misleading because it is indistinguishable from a gross metal value, which is restricted under paragraph 7 (1) (c) of the Instrument.

- (e) **Exploration target** – Potential quantities and grades of an exploration target are conceptual in nature. However, disclosure under subsection 7 (2) of the Instrument should be based on analytical results to date. Exploration targets that are based on limited or no real assessment of the mineral project are without foundation, and not suitable for disclosure.
- (f) **Impact of scoping study on previous feasibility or pre-feasibility study** – An issuer may disclose the results of a scoping study that includes inferred mineral resources, after it has completed a feasibility study or pre-feasibility study that establishes mineral reserves, if the disclosure complies with subsection 7 (3) of the Instrument. Under paragraph 7 (3) (d) of the Instrument, the issuer must discuss the impact of the scoping study on the mineral reserves and feasibility study or pre-feasibility study. This means considering and disclosing whether the existing mineral reserves and feasibility study or pre-feasibility study are still current and valid considering the key assumptions and parameters used in the scoping study.

If a scoping study considers the potential economic viability of a satellite deposit or of an alternate case, such as an expansion in conjunction with the main development of the mineral project, then the existing mineral reserves in the main study or production scenario could still be current. However, if the incorporated scoping study significantly modifies the key variables in the main study, including metal prices, mine plan and costs, the main study and mineral reserves may no longer be current. Mineralization treated as a mineral reserve in the pre-feasibility study or feasibility study cannot be re-used as a mineral resource in the incorporated scoping study. An author may consider disclosing these results separately under Item 24 of the Form.

- (g) **Cautionary language and explanations** – The requirements of subsections 7 (2) and 7 (3), and paragraph 13 (e) of the Instrument mean that the issuer must include the required cautionary statements and explanations each time it makes the disclosure permitted by these exceptions. These provisions also require the cautionary statements to have equal prominence with the rest of the disclosure. We interpret this to mean equal size, type and proximate location. The issuer should consider including the cautionary language and explanations in the same paragraph as, or immediately following, the disclosure permitted by these exceptions.

## **Section 8 Historical estimates**

- (a) **Required disclosure** – An issuer may disclose an estimate of resources or reserves made before it entered into an agreement to acquire an interest in the mineral project, provided the issuer complies with the conditions set out in section 8 of the Instrument. The issuer must provide the required disclosure each time it discloses the historical estimate, until the issuer has verified the historical estimate as a current mineral resource or mineral reserve. The required cautionary statements must also have equal prominence, as discussed further in subsection 7 (g) of this Companion Policy.
- (b) **Source and date** – Under paragraph 8 (a) of the Instrument, the issuer must disclose the source and date of the historical estimate. We apply this to mean the original source and date of the estimate, not third-party documents, databases or other sources, including government databases, which may also report the historical estimate.
- (c) **Suitability for public disclosure** – In determining whether to disclose an historical estimate under section 8 of the Instrument, an issuer should consider whether the historical estimate is suitable for public disclosure considering the stage of development of the mineral project.

- (d) **Technical report trigger** – The disclosure of an historical estimate will not trigger the requirement to file a technical report under paragraph 16 (1) (h) of the Instrument if the issuer discloses the historical estimate in accordance with section 8 of the Instrument, including the cautionary statements required under paragraph (g) of that section.

An issuer could trigger the filing of a technical report under paragraph 16 (1) (h) of the Instrument if it discloses the historical estimate in a manner that suggests or treats the historical estimate as a current mineral resource or mineral reserve. We will consider that an issuer is treating the historical estimate as a current mineral resource or mineral reserve in its disclosure if, for example, the issuer:

- (i) uses the historical estimate in an economic analysis or as the basis for a production decision;
- (ii) states it will be adding on or building on the historical estimate; or
- (iii) adds the historical estimate to current mineral resource or mineral reserve estimates.

## **Section 9 Limitation on disclaimers**

An issuer may not include any statement that disclaims responsibility for any information prepared, supervised, or approved by a qualified person. We interpret this to include the modification of cautionary statements required with certain disclosures to apply to other elements of disclosure about a mineral project. For example, the statements required by paragraph 8 (g) of the Instrument may not be adapted to disclaim old or legacy exploration information not collected by the issuer.

## **PART 3 ADDITIONAL REQUIREMENTS FOR WRITTEN DISCLOSURE**

### **Section 14 Exception for written disclosure already filed**

The Instrument provides that the disclosure requirements of sections 11 and 12 and paragraphs 13 (a), (c) and (d) of the Instrument may be satisfied by referring to a previously filed document that includes the required disclosure. However, the disclosure must be factual, complete, balanced and not present or omit information in a manner that is misleading.

## **PART 4 OBLIGATION TO FILE TECHNICAL REPORT**

### **Section 16 In connection with mineral project disclosure**

- (1) **Information circular trigger in paragraph 16 (1) (c)**
- (a) The requirement for “prospectus-level disclosure” in an information circular does not make this document a “prospectus” such that the prospectus trigger applies. The information circular is a separate trigger that applies only in certain situations specified in the Instrument.
  - (b) Paragraph 16 (1) (c) of the Instrument requires the issuer to file technical reports for mineral projects that will be material to the resulting issuer. Often the resulting issuer is not the issuer filing the information circular. In determining if it must file a technical report on a particular mineral project, the issuer should consider if the mineral project will be material to the resulting issuer after the completion of the proposed transaction.
  - (c) Our view is that the issuer filing the information circular does not need to file a technical report on its SEDAR+ profile if:
    - (i) the other party to the transaction has filed the technical report;
    - (ii) the information circular refers to the other party’s SEDAR+ profile; and
    - (iii) on completion of the transaction, technical reports for all material mineral projects are filed on the resulting issuer’s SEDAR+ profile or the SEDAR+ profile of a wholly owned subsidiary.
- (2) **Take-over bid circular trigger in paragraph 16 (1) (g)** – For purposes of the take-over bid circular trigger, the issuer referred to in the introductory language of subsection 16 (1) of the Instrument and the offeror referred to in paragraph (g) of that subsection are the same entity. Since the offeror is the issuer that files the circular, the technical report trigger applies to mineral projects that are material to the offeror.
- (3) **First time disclosure trigger in subparagraph 16 (1) (h) (i)** – In most cases, first time disclosure of mineral resources, mineral reserves, or the results of an economic analysis on a mineral project material to the issuer will constitute a material change in the affairs of the issuer.

The results of an economic analysis may refer to those found in a scoping study, pre-feasibility study, feasibility study or life of mine plan such as projected capital costs, operating costs, cash flow forecasts, production rates, net present value, internal rate of return, payback period, or mine life.

- (4) **Mineral project acquisitions – 45-day filing requirement** – Subsection 16 (5) of the Instrument requires an issuer in certain cases to file a technical report within 45 days to support first time disclosure of mineral resources, mineral reserves, or the results of an economic analysis on a mineral project material to the issuer. Mineral project materiality is not contingent on the issuer having acquired an actual interest in the mineral project or having formal agreements in place. In many cases, the mineral project will become material at the letter of intent stage, even if subject to conditions such as the approval of a third party or completion of a due diligence review. In such cases, the 45-day period will begin to run from the time the issuer first discloses the mineral resources, mineral reserves, or results of an economic analysis.
- (5) **Mineral project acquisitions – alternatives for disclosure of previous estimates** – If an issuer options or agrees to buy a mineral project material to the issuer, any previous estimates of mineral resources or mineral reserves on the mineral project will be in most cases material information that the issuer must disclose.

The issuer has a number of options available for disclosing the previous estimate without triggering a technical report within 45 days. If the previous estimate is not well-documented, the issuer may choose to disclose this information as an exploration target, in compliance with subsection 7 (2) of the Instrument. Alternatively, the issuer may be able to disclose the previous estimate as an historical estimate, in compliance with section 8 of the Instrument. Both these options require the issuer to include certain cautionary language and restrict the issuer from using the previous estimates in an economic analysis.

In circumstances where the previous estimate is supported by a technical report prepared for another issuer, the issuer may be able to disclose the previous estimate as a mineral resource, mineral reserve or results of an economic analysis, in compliance with subsection 16 (6) of the Instrument. In this case, the issuer will still be required to file a technical report. However, it has up to 180 days to do so.

- (6) **Production decision** – The Instrument does not require an issuer to file a technical report to support a production decision because the decision to put a mineral project into production is the responsibility of the issuer. The development of a mining operation typically involves large capital expenditures and a high degree of risk and uncertainty. To reduce this risk and uncertainty, the issuer typically makes its production decision based on a pre-feasibility or feasibility study of established mineral reserves.

We recognize that there might be situations where the issuer decides to put a mineral project into production without first establishing mineral reserves. Historically, such developments have a much higher risk of economic or technical failure. To avoid making misleading disclosure, the issuer should disclose that it is not basing its production decision on a pre-feasibility or feasibility study supporting mineral reserves demonstrating economic and technical viability and should provide adequate disclosure of the increased uncertainty and the specific economic and technical risks of failure associated with its production decision. Providing disclosure related to the increased uncertainty and risks related to the production decision does not preclude the requirement to file a technical report if an issuer discloses the results of an economic analysis.

Under paragraph 1.4 (e) of Part 2 of Form 51-102F1 *Management's Discussion & Analysis*, an issuer must also disclose in its MD&A whether a production decision or other significant development is based on a technical report.

- (7) **Shelf life of technical reports** – Economic analyses in technical reports are based on commodity prices, costs, sales, revenue and other assumptions and projections that can change significantly over short periods of time. As a result, economic information in a technical report can quickly become outdated. Continued reference to outdated technical reports or economic projections without appropriate context and cautionary language could result in misleading disclosure. Where an issuer has triggered the requirement to file a technical report under subsection 16 (1) of the Instrument it should consider the current validity of economic assumptions in its existing technical report to determine if the technical report is still current. An issuer might be able to extend the life of a technical report by having a qualified person include appropriate sensitivity analyses of the key economic variables.
- (8) **Technical reports must be current and complete** – Any time an issuer is required to file a technical report, that report should be complete and current. There should only be one current technical report on a mineral project at any point in time. When an issuer files a new technical report, it will replace any previously filed technical report as the current technical report on that mineral project. This means the new technical report will include any material information documented in a previously filed technical report, to the extent that this information is still current and relevant.

If an issuer gets a new qualified person to update a previously filed technical report prepared by a different qualified person, the new qualified person must take responsibility for the entire technical report, including any information referenced or summarized from a previous technical report.

- (9) **Exception from requirement to file technical report if information included in a previously filed technical report** – Subsection 16 (7) of the Instrument provides an exemption from the technical report filing requirement if the disclosure document does not contain any new material scientific or technical information about a mineral project that is the subject of a previously filed technical report.

In our view, a change to mineral resources or reserves due to mining depletion from a producing mineral project will not constitute new material scientific or technical information as the change should be reasonably predictable based on an issuer's continuous disclosure record.

- (10) **Reports not required by the Instrument** – The securities regulatory authorities in most jurisdictions of Canada require a reporting issuer to file, if not already filed with them, any record or disclosure documents that the issuer files with any other securities regulator, including geological reports filed with stock exchanges. In other cases, an issuer might wish to file voluntarily a report in the form of a technical report. The Instrument does not prohibit an issuer from filing such reports in these situations. However, any document purporting to be a technical report must comply with the Instrument and Form.

When an issuer files a report in the form of a technical report that is not required to be filed by the Instrument, the issuer is not required to file a consent of qualified person that complies with subsection 25 (1) of the Instrument. The issuer should consider filing a cover letter with the report explaining why the issuer is filing the report and indicating that it is not filing the report as a requirement of the Instrument. Alternatively, the issuer may consider filing a modified consent with the report that provides the same information.

- (11) **Preliminary short form prospectus** – Under paragraph 16 (1) (b) of the Instrument, an issuer must file a technical report with a preliminary short form prospectus if the prospectus discloses for the first time mineral resources, mineral reserves, or the results of an economic analysis that constitute a material change in relation to the issuer, or a change in this information, if the change constitutes a material change in relation to the issuer.

If this information is not disclosed for the first time in the preliminary short form prospectus itself but is repeated or incorporated by reference into the preliminary short form prospectus, the technical report must still be filed at the same time as the preliminary short form prospectus. Subsections 16 (5) and (6) of the Instrument, in certain limited circumstances, permit the delayed filing of a technical report. For example, an issuer normally has 45 days, or in some cases 180 days, to file a technical report supporting the first-time disclosure of a mineral resource. However, if a preliminary short form prospectus that includes the prescribed disclosure is filed during the period of the delay, subparagraphs 16 (5) (a) (i) and 16 (6) (c) (i) of the Instrument require the technical report to be filed on the date of filing the preliminary short form prospectus.

- (12) **Triggers with thresholds** – The technical report triggers in paragraphs 16 (1) (b), (g) and (h) of the Instrument only apply if the relevant disclosure meets certain thresholds and the mineral project is material to the issuer.
- (13) **Triggers with permitted filing delays** – Subsections 16 (5) and (6) of the Instrument allow technical reports in certain circumstances to be filed later than the disclosure documents they support. In these cases, once the requirement to file the technical report has been triggered, the issuer remains subject to the requirement irrespective of subsequent developments relating to the mineral project, including, for example, the sale or abandonment of the mineral project.

## **Section 17 Royalty or similar interest**

- (1) **Royalty or similar interest** – We consider a “royalty or similar interest” to include a gross overriding royalty, net smelter return, net profit interest, free carried interest and a product tonnage royalty. We also consider a “royalty or similar interest” to include an interest in a revenue or commodity stream from a proposed or current mining operation, such as the right to purchase certain commodities produced from the operation.
- (2) **Limitation on exemptions** – The term “royalty or similar interest” does not include a participating or carried interest. These exemptions do not apply where the issuer also has a participating or carried interest in the mineral project or the mining operation, either direct or indirect.

## **PART 5 PREPARATION OF TECHNICAL REPORT**

### **Section 18 Required form**

- (1) **Filing other scientific and technical reports** – An issuer may have other reports or documents containing scientific or technical information, prepared by or under the supervision of a qualified person, which are not in the form of a technical report. We consider that filing such information on SEDAR+ as a technical report could be misleading. An issuer wishing to provide public access to these documents should consider posting them on its website, and prior to posting the issuer must ensure that the scientific or technical information complies with the Instrument.

**(2) Prepared by a qualified person**

- (a) **Selection of qualified person** – It is the responsibility of the issuer and its directors and officers to retain a qualified person who meets the criteria listed under the definition of qualified person in the Instrument, including having the relevant experience and competence for the subject matter of the technical report.
- (b) **Assistance of non-qualified persons** – A person who is not a qualified person may work on a mineral project. If a qualified person relies on the work of a non-qualified person to prepare a technical report or to provide information or advice to the issuer, the qualified person must take responsibility for that work, information or advice by taking whatever steps are appropriate, in their professional judgment, to ensure that the work, information, or advice that they rely on is sound.
- (c) **More than one qualified person** – Paragraph 18 (a) of the Instrument provides that one or more qualified persons must prepare or supervise the preparation of a technical report. Some technical reports, particularly for more advanced mineral projects, could require the involvement of several qualified persons with different areas of expertise. In that case, each qualified person taking responsibility for particular sections or items of the technical report must sign the technical report and provide a certificate and consent under Part 6 of the Instrument.
- (d) **A qualified person is responsible for all items of technical report** – Paragraph 18 (a) of the Instrument requires a technical report to be prepared by or under the supervision of one or more qualified persons. This means that at least one qualified person must take responsibility for each section or item of the technical report, including any information incorporated from a previously filed technical report, and specifically including a mineral resource or mineral reserve estimate prepared by another qualified person.

If two or more qualified persons indicate they are jointly responsible for a particular section or item of the technical report, this means that each of the qualified persons indicated are equally responsible for the entire section or item. For example, if qualified person “A” and qualified person “B” indicate they are jointly responsible for section 1, both A and B are equally responsible for the entirety of section 1. Joint responsibility cannot be used as a disclaimer to renounce responsibility for certain portions of a section or item.

- (3) **Preparation in English or French** – Paragraph 18 (b) of the Instrument requires a technical report to be prepared in English or French. Reports prepared in a different language and translated into English or French are not acceptable due to the highly technical nature of the disclosure and the difficulties of ensuring accurate and reliable translations.

**Section 19 Addressed to issuer**

We consider that the technical report is addressed to an issuer if the issuer’s name appears on the title page as the party for which the qualified person prepared the technical report. We also consider that the technical report is addressed to the issuer filing the technical report if it is addressed to an issuer that is or will become a wholly owned subsidiary of the issuer filing the technical report.

**Section 20 All relevant data**

Section 1 (e) of this Companion Policy provides that a technical report is a report that provides a summary of all relevant scientific and technical information about a mineral project. The Form includes similar language. The target audience for technical reports are members of the investing public, many of whom have limited geological and mining expertise. To avoid misleading disclosure, technical reports must provide sufficient detail for a reasonable person to understand the nature and significance of the results, interpretation, conclusions and recommendations presented in the technical report.

However, we do not think that technical reports need to be a repository of all technical data and information about a mineral project or include extensive geostatistical analysis, charts, data tables, assay certificate, drill logs, appendices or other supporting technical information.

**Section 21 Current personal inspection**

- (1) **Meaning** – The current personal inspection referred to in section 21 of the Instrument is the most recent personal inspection of the mineral project, provided there is no new relevant scientific or technical information about the mineral project since that personal inspection. A personal inspection may constitute a current personal inspection even if the qualified person conducted the personal inspection considerably before the filing date of the technical report, if there is no new relevant scientific or technical information about the mineral project at the filing date. However, since the qualified person is certifying that the technical report contains all relevant information about the mineral project, the qualified person should consider taking the necessary steps to verify independently that there has been no additional work done on the mineral project since their last personal inspection.

- (2) **Importance of personal inspection** – We consider a current personal inspection under section 21 of the Instrument to be particularly important because it will enable qualified persons to become familiar with conditions on the mineral project. A qualified person can observe the geology and mineralization, verify work done and, on that basis, design or review and recommend to the issuer an appropriate exploration or development program. A current personal inspection is required even for mineral projects with poor exposure. In such cases, it could be relevant for a qualified person to observe the depth and type of the overburden and cultural effects that could interfere with the results of the geophysics. A current personal inspection also allows for a qualified person to observe the access, limitations, environmental setting and the overall nature of the mineral project, which may or may not impact the ability to conduct further work or development.

It is the responsibility of the issuer to arrange its affairs so that a qualified person can carry out a current personal inspection. A qualified person, or where required, an independent qualified person, must visit the site and cannot delegate the personal inspection requirement. For example, we consider a current personal inspection to be delegated when a qualified person only takes responsibility for Item 23 of a technical report.

- (3) **More than one qualified person** – Section 21 of the Instrument requires at least one qualified person who is responsible for preparing or supervising the preparation of the technical report to inspect the mineral project. This is the minimum standard for a current personal inspection. There could be cases on more advanced mineral projects where it is necessary for more than one qualified person to conduct current personal inspections of the mineral project, taking into account the nature of the work on the mineral project and the different expertise required to prepare various elements of the technical report.

Please see additional guidance in Part B. Guidance to the Form: Item 23 – Current Personal Inspection.

## **Section 22 Execution**

Section 22 and subsections 24 (1) and 25 (1) of the Instrument require the qualified person to date, sign, and if the qualified person has a seal, seal the technical report, certificate and consent. If a qualified person's name appears in an electronic document with (signed by) or (sealed) next to their name or there is a similar indication in the document, we will consider that the person has signed and sealed the document.

## **Section 23 Independent technical report**

- (1) **Independent qualified persons** – Subsection 23 (1) of the Instrument requires that one or more independent qualified persons prepare or supervise the preparation of the independent technical report. This subsection does not preclude non-independent qualified persons from assisting in the preparation of the technical report. However, to meet the independence requirement, the independent qualified persons must assume overall responsibility for all items of the technical report.
- (2) **One hundred percent or greater change** – Subparagraph 23 (1) (c) (ii) of the Instrument requires the issuer to file an independent technical report to support disclosure of a 100 percent or greater change in total mineral resources or total mineral reserves or the results of an economic analysis.

We interpret this to mean a 100 percent or greater change in either the total tonnage or volume, or total contained metal or mineral content, of the mineral resource or mineral reserve. We also interpret the 100 percent or greater change to apply to mineral resources and mineral reserves separately. Therefore, a 100 percent or greater change in mineral resources on a material mineral project will require the issuer to file an independent technical report regardless of any changes to mineral reserves, and vice versa.

In addition, this requirement applies when there is a 100 percent or greater change in the net present value, internal rate of return, or any metric relied upon in the results of an economic analysis of a mineral project.

- (3) **Objectivity of author** – We could question the objectivity of the author based on our review of a technical report. To preserve the requirement for independence of the qualified person, we could ask the issuer to provide further information, additional disclosure, or the opinion or involvement of another qualified person to address concerns about possible bias or partiality on the part of the author of a technical report.

## **PART 6 CERTIFICATES AND CONSENTS**

The Instrument requires certificates and consent of qualified persons, prepared in accordance with sections 24 and 25 of the Instrument to be filed at the same time as the technical report. The Instrument does not specifically require the issuer to file the certificate of qualified person as a separate document. It is generally acceptable for the qualified person to include the certificate in the technical report and to use the certificate as the date and signature page.

**Section 24 Certificate of qualified person**

- (1) **Certificates apply to the entire technical report** – Subsection 24 (1) of the Instrument requires certificates that apply to the entire technical report, including any sections that refer to information in a previously filed technical report. At least one qualified person must take responsibility for each item required by the Form.
- (2) **Deficient certificates** – Certificates must include all the statements required by subsection 24 (1) of the Instrument. An issuer that files certificates with required statements that are missing or altered to change the intended meaning has not complied with the Instrument.
- (3) **Summary of relevant experience** – We consider it insufficient to simply state the number of years working in the industry for paragraph 24 (1) (c) of the Instrument. The certificate must provide a sufficient summary of the qualified person's relevant experience in the specific subject matter of the technical report such that the investing public can understand how the qualified person determined they have the appropriate relevant experience to act as a qualified person for the items in the technical report for which they are responsible.
- (4) **Professional registration** – The certificate should also provide the year which the qualified person was registered with their stated professional association and any previous registration with another professional association that contributes to their 5 years of professional experience.

**Section 25 Consent of qualified person**

- (1) **Consent of experts** – If the technical report supports disclosure in a prospectus, the qualified person will likely have to provide an expert consent under the prospectus rules (section 10.1 of National Instrument 41-101 *General Prospectus Requirements* and paragraph 4.2 (a) (vii) of National Instrument 44-101 *Short Form Prospectus Distributions*), in addition to any consent of qualified person required under the Instrument.
- (2) **Deficient consents** – Consents must include all the statements required by subsection 25 (1) of the Instrument. An issuer that files consents with required statements that are missing or altered to change the intended meaning has not complied with the Instrument. Appendix B to this Companion Policy provides an example of an acceptable consent of a qualified person.
- (3) **Modified consents under subsection 25 (2)** – Subsection 25 (1) of the Instrument requires the qualified person to identify and read the disclosure that the technical report supports and confirm that the disclosure accurately represents the information in the technical report. We recognize that an issuer can become a reporting issuer in a jurisdiction of Canada without the requirement to file a disclosure document listed in subsection 16 (1) of the Instrument. In these cases, the issuer has the option of filing a modified consent under subsection 25 (2) of the Instrument that excludes the statements in paragraphs 25 (1) (b), (c) and (d).
- (4) **Filing of full consent required** – If an issuer files a modified consent under subsection 25 (2) of the Instrument, it must still file a full consent the next time it files a disclosure document that would normally trigger the filing of a technical report under subsection 16 (1) of the Instrument. This requirement is set out in subsection 25 (3) of the Instrument.
- (5) **Filing of consent for technical reports not required by the Instrument** – Where an issuer files a technical report voluntarily or as a requirement of a Canadian stock exchange, and the filing is not also required under the Instrument, the report is not a “technical report” subject to the consent requirements under subsection 25 (1) of the Instrument. Therefore, when the issuer subsequently files a disclosure document that would normally trigger the filing of a technical report under subsection 16 (1) of the Instrument, the issuer must file the consents of qualified persons in accordance with subsection 25 (1) of the Instrument.

If an issuer files a filing statement or other prospectus-level disclosure document with a Canadian stock exchange, and the filing is not also required under the Instrument, the issuer may choose or be required by the stock exchange to file a full consent that includes paragraphs 25 (1) (b), (c) and (d) of the Instrument as they relate to the filing statement or other disclosure document.

**B. GUIDANCE TO THE FORM****GENERAL INSTRUCTIONS**

A technical report is a summary document of relevant scientific and technical information concerning mineral exploration, development and production activities on a mineral project that is material to an issuer.

A technical report is intended to offer clear and consistent information that may be used to inform investment decisions. The intended audience is the investing public and their advisors who, in most cases, will not be mining experts. Authors should keep



the intended audience in mind. Authors should also consider that the contents of a technical report are a snapshot in time of a mineral project's status.

While the Form mandates the headings and general format of the technical report, the qualified person preparing the technical report is responsible for determining the level of detail required under each item based on the qualified person's assessment of the relevance and significance of the information.

As noted in General Guidance (7) of this Companion Policy, the Instrument does not require a qualified person to follow CIM practice guidelines. However, we think that a qualified person, acting in compliance with the professional standards of competence and ethics established by their professional association, will use procedures and methodologies that are consistent with industry standard practices, as established by CIM or similar organizations in other jurisdictions.

## **APPENDICES**

It is not necessary to include appendices with excessive information, such as assay certificates or extensive geological, geochemical, geophysical, other survey results or raw data. The limited use of an appendix may be appropriate in certain circumstances, for example an extensive list of land tenures.

## **ALL HEADINGS UNDER THE FORM**

For mineral projects without information to disclose under any item, rather than providing disclosure that an item is "not applicable" or "n/a", the technical report should explain that there is no relevant information under those headings. For example:

- if metallurgical testing was not conducted at the effective date, the technical report should indicate that no metallurgical test work has been completed rather than "not applicable";
- if a mineral project does not have a mineral resource estimate, the technical report should indicate that there are no current mineral resources on the mineral project under Item 14.

We consider such information to be relevant to the mineral project, as such, it is not sufficient to only indicate "Not Applicable" under a heading.

## **TITLE PAGE**

The Form requires issuers to provide the current stage of the mineral project on the first or front page of the technical report. Also, a stage or level of work completed on a mineral project should be clearly identified for the intended audience. Suitable stages include:

- "early" or "exploration" – meaning without a mineral resource estimate;
- "resource" – meaning with a mineral resource estimate but no economic analysis;
- "scoping study" – within the meaning of the Instrument;
- "pre-feasibility study" – within the meaning of the Instrument;
- "feasibility study" – within the meaning of the Instrument;
- "life of mine plan" – within the meaning of the Instrument.

## **DATES AND SIGNATURES**

- (1) In addition to "effective date" which is a defined term in the Instrument, the following explains the most common dates associated with a technical report:
  - "date of signing" or "signature date" – This is the date that a qualified person completes and signs the technical report; this does not have to be the same date as the effective date;
  - "filing date" – There is no requirement to include the date on which a technical report is filed on SEDAR+. However, the effective date and signature date should not be after the date on which the document is filed;
  - "consent date" – This is the date on which the consent of the qualified person is given, which may be after the signature date or effective date, or both, of the relevant technical report.
- (2) If the qualified person includes their certificate in the technical report, it is generally acceptable to use the certificate as the date and signature page.

**Item 1 Summary**

The Information summarized in this item should be consistent with the stage of development of the mineral project, although we do not specifically require every heading in the report to be duplicated in this item. The information summarized by Items 5.4 (2) through 5.4 (14) of Form 51-102F2 *Annual Information Form* are a suggested framework for the information to be included here.

**Item 3 Reliance on Other Experts**

Reliance on other experts is limited to specific areas: legal, political, environmental or tax matters. Authors are reminded that they may not rely on third parties for any scientific or technical information included in the technical report.

**Item 4 Mineral Project Description and Location**

- (1) Information required under Items 4 (d), (e), (g) and (h) may include the rights of Indigenous Peoples, as defined in the mineral project's jurisdiction. The information to be provided does not require the disclosure of confidential information about rightsholders, for example an agreement between an issuer and a rightsholder that is subject to confidentiality obligations.
- (2) The reference in Item 4 (c) to type of mineral tenure may include a claim, exclusive exploration right, licence, lease, concession, permit or tenement.
- (3) Item 4 (d) requires disclosure of who holds the surface rights associated with the mineral project, if any.

**Item 5 Accessibility, Local Resources, Infrastructure and Physiography**

We expect that the disclosure of sufficiency of surface rights to include a description of the surface rights necessary to further develop any potential mining operation under Item 5 (e).

**Item 6 History**

- (1) Historical information required under Item 6 (b) may be presented in tabular format, where appropriate. If a mineral project does not have extensive history to warrant such a table, a summary in paragraph format will generally be sufficient.
- (2) As historical work may have been conducted outside the current mineral project boundaries, the report should clearly distinguish this historical work from the work conducted on the mineral project area that is the subject of the technical report.

**Item 7 Geological Setting and Mineralization**

If disclosure under this item or any other item of the Form includes disclosure about a neighbouring or analogue mineral project, the disclosure should clearly distinguish between the information about such other mineral project and the issuer's mineral project, and the disclosure should not state or imply the issuer will obtain similar information from its own mineral project. The source of information for the other mineral project should also be clearly identified.

**Item 9 Exploration**

- (1) If the issuer has not conducted any exploration on the mineral project this should be clearly stated.
- (2) If, in addition to any exploration work by the issuer, the technical report includes exploration results from previous operators, clearly identify the work conducted from previous operations. We consider it suitable to include work done by others if the issuer and the qualified person believe the work remains current.

**Item 10 Drilling**

- (1) If the issuer has not conducted any drilling on the mineral project this should be clearly stated.
- (2) The disclosure required under this item may include any underground sampling, drilling or test work.
- (3) For mineral projects with mineral resource estimates, the qualified person may meet the requirements under Item 10 (c) by providing a drill plan and representative drill sections through the mineral deposit.
- (4) If drill results from previous operators have been verified by the qualified person and are included in a mineral resource estimate and are therefore being treated as reliable, we expect that these drill results will be included under this Item. The report should clearly distinguish the results of drilling conducted by or on behalf of the issuer from those of previous operators.

**Item 12 Data Verification**

The appropriate qualified person should conduct data verification on any scientific and technical information included in the report. Data verification steps may be necessary for, but not limited to, parts or all of Items 9, 10, 11, 13, 14, 15 and 17, and any assumptions used in Items 21 and 22.

Technical report authors are reminded that simply referencing prior data verification conducted by others does not meet the requirements of this Item.

We remind issuers that a technical report disclosing mineral resources or mineral reserves under Items 14 and 15, respectively, must comply with the requirements set out in sections 6, 7 and 13 of the Instrument.

**Item 13 Metallurgical Testing**

Disclosure related to the amount and reliability of the metallurgical test work conducted on the mineral deposit should be appropriate and sufficient to support the stage of development of the mineral project.

**Item 14 Mineral Resource Estimates**

- (1) A statement of quantity and grade or quality is an estimate and should be rounded to reflect the fact that it is an approximation.
- (2) Where multiple cut-off grade scenarios are presented, the qualified person must identify and highlight the base case or preferred scenario. All estimates resulting from each of the cut-off grade scenarios must meet the test of reasonable prospects requirements of mineral resources.
- (3) We do not interpret “relevant conversion factors” in Item 14 (c) related to metal equivalents to include the application of the modifying factors used in the conversion to mineral reserves.
- (4) Visual representations required under Item 14 (d) should clearly show the spatial continuity of the mineral resource, the confidence classifications and the constraining surfaces or shapes.
- (5) Each mineral project has its own set of risks and uncertainties, any of which could materially affect the mineral resource estimate. Disclosure under Item 14 (g) should be relevant to the particular mineral project. Failure to provide known risks specific to the mineral project may make the mineral resource estimate disclosure potentially misleading.
- (6) A mineral deposit is not a mineral resource unless it demonstrates the reasonable prospects requirements of mineral resources. Item 14 (b) requires the technical report to disclose the assumptions used to establish the reasonable prospects, which we interpret to include both economic and technical aspects.

The economic aspects may include the metallurgical recovery, cost assumptions, metal prices and any other factors that might impact the eventual mining of the mineral resource. And depending on the type of mining method, the technical aspects may include minimum widths, spatial continuity and the application of appropriate constraining surfaces, areas and volumes.

For example, a technical report disclosing a pit shell must also provide a description of the geological controls that are the basis for the geological model used to constrain the mineral resource estimation, including descriptions of the data and the criteria and methodology used to develop the model.

- (7) If the issuer wishes to disclose a previous mineral resource estimate or previous mineral reserve estimate prepared by the issuer related to the mineral project, these estimates should be referred to as a previous estimate and not a historical estimate which is a defined term in the Instrument.

**Items 16 to 22**

Scoping studies, pre-feasibility studies, feasibility studies and life of mine plans generally analyse and assess the same geological, engineering and economic factors with increasing detail and precision. Therefore, the criteria for Items 16 to 22 can be used as a framework for reporting the results of all four studies. In situations where a mineral project does not have mineral resources or mineral reserves but the mineral project is in production, or was previously in production, we expect disclosure will be provided under Items 16 to 22, where applicable.

**Item 16 Mining Methods**

For a mineral project in production or operation, we expect the technical report to disclose the mining methods currently in place.

### **Item 19 Market Studies and Contracts**

The discussion of market studies should clearly explain any impacts that the mineral project that is subject of the technical report may have on the market. Discussion under this item should also include identification of any circumstances unique to that market.

### **Item 20 Environmental Studies, Permitting and Regional or Local Impact**

The information disclosed in this item should include the dates of any current (meaning in place at the effective date) reports, documents, studies, permits or permit status.

Along with the date, titles of any reports, documents, studies or permits should also be disclosed to ensure the intended audience can understand that these documents may have been superseded even if the remainder of the technical report remains current.

### **Item 21 Capital and Operating Costs**

Disclosure under this item should be made, even if the mineral project in production does not have mineral resources or mineral reserves. A technical report for a mineral project in production (or operation) may disclose actual costs rather than estimates when available. If disclosing actual costs, consider reconciling to the most recent estimated costs such that the intended audiences may see differences between forecasts and actuals.

### **Item 22 Economic Analysis**

- (1) The economic analysis in technical reports must include any applicable cautionary language required by subsection 7 (3) of the Instrument.
- (2) Discussion of how the risk-adjusted discount rate was selected should consider risks specific to the mineral project such as location, stage of development or type of commodity.

### **Item 23 Current Personal Inspection**

- (1) The observations by the qualified person conducting the current personal inspection may include anything the intended audience might need to know that could impact further advancement of the mineral project.
- (2) We do not consider the sampling or testing done by the qualified person during the current personal inspection to be exploration activities of the issuer.
- (3) We additionally note that it is considered acceptable that the current personal inspection may be assisted by, but not replaced by, remote technologies including drones.

### **Item 26 Recommendations**

In some specific cases, the qualified person may not be in a position to make meaningful recommendations for further work. Generally, these situations will be limited to mineral projects under development or in production where material exploration activities and engineering studies have largely concluded. In such cases, the qualified person should explain why they are not making further recommendations.

In general, we do not expect recommendations as part of a life of mine plan.

## Appendix A

## Acceptable Foreign Associations and Membership Designations

Foreign Association	Membership Designation
American Institute of Professional Geologists (AIPG)	Certified Professional Geologist (CPG)
The Society for Mining, Metallurgy and Exploration, Inc. (SME)	Registered Member
Mining and Metallurgical Society of America (MMSA)	Qualified Professional (QP)
Any state in the United States of America	Licensed or certified as a professional engineer
European Federation of Geologists (EFG)	European Geologist (EurGeol)
Institute of Geologists of Ireland (IGI)	Professional Member (PGeo)
Institute of Materials, Minerals and Mining (IMMM or IOM3)	Professional Member (MIMMM), Fellow (FIMMM), Chartered Scientist (CSci MIMMM), or Chartered Engineer (CEng MIMMM)
Geological Society of London (GSL)	Chartered Geologist (CGeol)
Australasian Institute of Mining and Metallurgy (AusIMM)	Fellow (FAusIMM) or Chartered Professional Member or Fellow (MAusIMM (CP), FAusIMM (CP))
Australian Institute of Geoscientists (AIG)	Member (MAIG), Fellow (FAIG) or Registered Professional Geoscientist Member or Fellow (MAIG RPGeo, FAIG RPGeo)
The Institution of Engineers Australia (Engineers Australia)	Chartered Professional Engineer (CPEng)
The Institution of Professional Engineers New Zealand (Engineers New Zealand, IPENZ)	Chartered Professional Engineer (CPEng)
The Southern African Institute of Mining and Metallurgy (SAIMM)	Fellow (FSAIMM)
South African Council for Natural Scientific Professions (SACNASP)	Professional Natural Scientist (Pr.Sci.Nat.)
Engineering Council of South Africa (ECSA)	Professional Engineer (Pr.Eng.) or Professional Certificated Engineer (Pr.Cert.Eng.)
Comisión Calificadora de Competencias en Recursos y Reservas Mineras (Chilean Mining Commission)	Registered Member

**Appendix B**

**Example of Consent of Qualified Person**

[QP's Letterhead] or [Insert name of QP]  
[Insert name of QP's company] [Insert address of QP or QP's company]

**CONSENT OF QUALIFIED PERSON**

I, [name of QP], consent to the public filing of the technical report titled [insert title of report] and dated [insert effective date of report] (the "Technical Report") by [insert name of issuer filing the report].

I also consent to any extracts from or a summary of the Technical Report in the [insert date and type of disclosure document (i.e. news release, prospectus, AIF, etc.)] of [insert name of issuer making disclosure].

I certify that I have read [date and type of document (i.e. news release, prospectus, AIF, etc.) that the report supports] being filed by [insert name of issuer] and that it fairly and accurately represents the information in the sections of the Technical Report for which I am responsible.

Dated this [insert date].

\_\_\_\_\_[Seal or Stamp]  
Signature of Qualified Person

\_\_\_\_\_  
Print name of Qualified Person

ANNEX D

PROPOSED AMENDMENTS TO  
NATIONAL INSTRUMENT 44-101  
*SHORT FORM PROSPECTUS DISTRIBUTIONS*

1. ***National Instrument 44-101 Short Form Prospectus Distributions is amended by this Instrument.***
2. ***Subsection 4.2.1(2) is amended by replacing “falls within paragraphs (a), (b), (d) and (e) of the definition of “qualified person” in” with “is a “qualified person” as defined in”.***
3. ***Form 44-101F1 Short Form Prospectus is amended in section 9.1 by replacing “property” wherever it occurs with “project”.***
4.
  - (1) *This Instrument comes into force on [●].*
  - (2) *In Saskatchewan, despite subsection (1), if this Instrument is filed with the Registrar of Regulations after [●] this Instrument comes into force on the day on which it is filed with the Registrar of Regulations.*

ANNEX E

PROPOSED AMENDMENT TO  
NATIONAL INSTRUMENT 44-102  
*SHELF DISTRIBUTIONS*

1. ***National Instrument 44-102 Shelf Distributions is amended by this Instrument.***
2. ***Subsection 7.2(1.2) is amended by replacing*** “falls within paragraphs (a), (b), (d) and (e) of the definition of “qualified person” in” ***with*** “is a “qualified person” as defined in”.
3.
  - (1) *This Instrument comes into force on [●].*
  - (2) *In Saskatchewan, despite subsection (1), if this Instrument is filed with the Registrar of Regulations after [●] this Instrument comes into force on the day on which it is filed with the Registrar of Regulations.*



ANNEX F

PROPOSED AMENDMENTS TO  
NATIONAL INSTRUMENT 45-106  
*PROSPECTUS EXEMPTIONS*

1. *National Instrument 45-106 Prospectus Exemptions is amended by this Instrument.*
2. *Form 45-106F3 Offering Memorandum for Qualifying Issuers is amended in section 2 of Part D of the Instructions for Completing Form 45-106F3 Offering Memorandum for Qualifying Issuers by replacing “property” with “project” wherever it occurs.*
3.
  - (1) *This Instrument comes into force on [●].*
  - (2) *In Saskatchewan, despite subsection (1), if this Instrument is filed with the Registrar of Regulations after [●] this Instrument comes into force on the day on which it is filed with the Registrar of Regulations.*

ANNEX G

PROPOSED AMENDMENTS TO  
NATIONAL INSTRUMENT 51-102  
CONTINUOUS DISCLOSURE OBLIGATIONS

1. ***National Instrument 51-102 Continuous Disclosure Obligations is amended by this Instrument.***
2. ***Part 2 of Form 51-102F2 Annual Information Form is amended in section 5.4 by replacing “had” with “has”.***
3. ***Part 2 of Form 51-102F2 Annual Information Form is amended in subsection 5.4(1) by***
  - (a) ***deleting “, author(s),” after “title”,***
  - (b) ***replacing “on the property” with “for mineral project”, and***
  - (c) ***adding the following after “Standards of Disclosure for Mineral Projects”:***

and the name of each qualified person who prepared, or supervised the preparation of, all or part of the technical report.
4. ***Part 2 of Form 51-102F2 Annual Information Form is amended by replacing subsection 5.4(2) with the following:***
  - (2) **Mineral Project Description and Location**
    - (a) The location of the mineral project.
    - (b) The nature and extent of your company’s title to, or interest in, the mineral project, including, for greater certainty, surface rights and legal access, and the obligations that must be met to retain your company’s title to, or interest in, the project.
    - (c) The terms of any agreement concerning royalties, back-in rights, payments or other similar agreement, and any encumbrances, to which the mineral project is subject.
    - (d) Any significant factors and risks that may affect the ability to perform work on the mineral project..
5. ***Part 2 of Form 51-102F2 Annual Information Form is amended by replacing paragraph 5.4(3)(a) with the following:***
  - (3) **History**
    - (a) If relevant, a summary of the prior exploration and development of the mineral project, including for greater certainty the type, amount and results of any exploration and development work undertaken by previous owners, any relevant historical estimates and any previous production from the project..
6. ***Part 2 of Form 51-102F2 Annual Information Form is amended by replacing subsection 5.4(4) with the following:***

**Geological Setting, Mineralization and Deposit Types**

  - (a) The regional setting and mineral project geology.
  - (b) The significant mineralized zones encountered on the mineral project, including, for greater certainty, a summary of the surrounding rock types, relevant geological controls, the length, width, depth and continuity of the mineralization and a description of the type, character and distribution of the mineralization.
  - (c) The mineral deposit type and geological model or concepts being applied.
7. ***Part 2 of Form 51-102F2 Annual Information Form is amended in subsection 5.4(7)***
  - (a) ***by replacing “without limitation” with “as applicable”,***
  - (b) ***in paragraph 5.4(7)(a) by replacing “employed” with “used”, and***
  - (c) ***in paragraph 5.4(7)(d) by replacing “procedures” with “steps”.***
8. ***Part 2 of Form 51-102F2 Annual Information Form is amended in subsection 5.4(8) by deleting “, to the extent known, provide”.***

9. **Part 2 of Form 51-101F2 Annual Information Form is amended in paragraph 5.4(9)(d) by replacing “issues” with “factors”.**
10. **Part 2 of Form 51-102F2 Annual Information Form is amended in subsections 5.4 (10) and (11) by replacing “For advanced properties” with “For the mineral project, as applicable”.**
11. **Part 2 of Form 51-102F2 Annual Information Form is amended in subsection 5.2(12) by**
  - (a) **replacing “For advanced properties” with “For the mineral project, as applicable”,**
  - (b) **in paragraph (a) by replacing “logistic requirements for the project” with “logistics necessary for the mineral project”, and**
  - (c) **in paragraph (b) by replacing “, and social or community factors related to the project” with “and other regional or local factors concerning the mineral project”.**
12. **Part 2 of Form 51-102F2 Annual Information Form is amended in subsection 5.4 (13) by replacing “For advanced properties” with “For the mineral project, as applicable”.**
13. **Part 2 of Form 51-102F2 Annual Information Form is amended in paragraph 5.4(13)(a) by deleting “, with the major components”.**
14. **Part 2 of Form 51-102F2 Annual Information Form is amended in paragraph 5.4(13)(b) by**
  - (a) **adding “discounted” before “cash”, and**
  - (b) **deleting “, unless exempted under Instruction (1) to Item 22 of Form 43-101F1”.**
15. **Part 2 of Form 51-102F2 Annual Information Form is amended in subparagraph (ii) of the Instructions to section 5.4 by replacing “property” with “mineral project”.**
16.
  - (1) *This Instrument comes into force on [●].*
  - (2) *In Saskatchewan, despite subsection (1), if this Instrument is filed with the Registrar of Regulations after [●] this Instrument comes into force on the day on which it is filed with the Registrar of Regulations.*

ANNEX H

PROPOSED AMENDMENT TO  
MULTILATERAL INSTRUMENT 51-105  
*ISSUERS QUOTED IN THE U.S. OVER-THE-COUNTER MARKETS*

1. *Multilateral Instrument 51-105 Issuers Quoted in the U.S. Over-the-Counter Markets is amended by this Instrument.*
2. *Section 9 is amended by replacing “Section 4.1” with “Section 15”.*
3.
  - (1) *This Instrument comes into force on [●].*
  - (2) *In Saskatchewan, despite subsection (1), if this Instrument is filed with the Registrar of Regulations after [●] this Instrument comes into force on the day on which it is filed with the Registrar of Regulations.*

ANNEX I

PROPOSED CHANGE TO  
COMPANION POLICY 51-105CP MULTILATERAL INSTRUMENT 51-105  
ISSUERS QUOTED IN THE U.S. OVER-THE-COUNTER MARKETS

1. *Companion Policy 51-105CP Multilateral Instrument 51-105 Issuers Quoted in the U.S. Over-the-Counter Markets is changed by this document.*
2. *Companion Policy 51-105CP Multilateral Instrument 51-105 Issuers Quoted in the U.S. Over-the-Counter Markets is changed by replacing “property” with “project” wherever it occurs.*
3. *This change becomes effective on [●].*

## ANNEX J

### LOCAL MATTERS

#### ONTARIO SECURITIES COMMISSION

##### 1. Introduction

The Ontario Securities Commission (the **Commission** or the **OSC**) is publishing this Annex to supplement the CSA Notice and Request for Comment – Proposed Repeal and Replacement of National Instrument 43-101 *Standards for Mineral Projects* (the **CSA Notice**) and to set out matters required to be addressed by the *Securities Act* (Ontario) (the **Act**).

The CSA are publishing for comment the Modernized Disclosure Requirements as part of an effort to modernize, clarify, and streamline the standards of disclosure requirements for mineral projects.

Unless otherwise defined in this Annex, defined terms or expressions used in this Annex share the meanings provided in the CSA Notice. Please refer to the main body of the CSA Notice for additional details.

##### 2. Local Amendments

The Commission is not publishing for comment any proposed amendments to any rules, or proposed changes to any guidance, that are only in effect in Ontario.

##### 3. Overview

The CSA undertook a review of the Instrument, the Form and the Companion Policy proposing updates to enhance Canada's mining disclosure regime to address evolving disclosure practices and policy considerations identified by CSA staff, and to reflect changes in the industry and investor expectations. In addition, the Modernized Disclosure Requirements will continue to provide consistent and comparable information to assist investors in making informed investment decisions and provide issuers with clear and understandable disclosure requirements.

Based on feedback from the Consultation Paper, the Instrument and the Form are generally working well, but it has been over two decades since many of the disclosure requirements came into force and 14 years since the last update during which time there have been significant changes in industry practice and investor expectations. The CSA determined that it would be appropriate to modernize, streamline, and clarify certain disclosure requirements. To assist issuers and qualified persons preparing technical disclosure in compliance with the Instrument and the Form we also propose to update and expand guidance in the Companion Policy related to the Instrument and the Form.

##### 4. Proposed Intervention

###### a. Instrument

The proposed amendments to the Instrument are intended to refresh, update, and streamline many of the current disclosure requirements to reflect alignment with international disclosure standards, changes in market practice, and evolving policy considerations. For each proposed amendment a brief description is provided along with the approximate number and percentage of reporting issuers with mineral projects that have Ontario as their principal regulator that are affected by the proposed amendments.

Based on data from SEDAR+ we estimate as of June 30, 2024, there are approximately 338 reporting issuers with mineral projects that have Ontario as their principal regulator. This represents 32% of all reporting issuers that have Ontario as their principal regulator. The approximate breakdown of these 338 Ontario reporting issuers by their stage of development is:

- **Production** – 54 issuers (16%)
- **Development (Mineral Reserve)** – 40 issuers (12%)
- **Development (Preliminary Economic Assessment)** – 26 issuers (8%)
- **Mineral Resource** – 51 issuers (15%)
- **Exploration** – 156 issuers (46%)
- **Royalty** – 11 issuers (3%)

Based on data from SEDAR+ there were 723 Technical Reports filed between 2020 and 2023 representing an average of approximately 180 Technical Reports filed per year by reporting issuers with mineral projects that have Ontario as their principal regulator. The approximate breakdown of these 180 Technical Reports filed per year by stage of development is:

- **Production** – 15 Technical Reports (8%)
- **Development (Mineral Reserve)** – 17 Technical Reports (9%)
- **Development (Preliminary Economic Assessment)** – 21 Technical Reports (12%)
- **Mineral Resource** – 53 Technical Reports (29%)
- **Exploration** – 73 Technical Reports (41%)
- **Royalty** – 1 Technical Report (1%)

We are proposing several amendments to the Instrument which include:

i. Foreign Codes

Since 2011, all the major international mining jurisdictions, including Canada, have harmonized their definition standards for mineral resources, mineral reserves, and mining studies to be aligned with the Committee for Mineral Reserves International Reporting Standards (**CRIRSCO**), an international organization of 15 countries working collaboratively to standardize global reporting codes in the mining industry. The Canadian Institute of Mining, Metallurgy, and Petroleum (**CIM**) definition standards, incorporated by reference into the Instrument, are aligned with CRIRSCO. Given the global harmonization of the mining definition standards and the estimation of mineral resource and mineral reserves we propose to remove the allowance for using an “acceptable foreign code” as this is no longer necessary. By removing “acceptable foreign code” we will also remove reference to the five named foreign codes (JORC Code, PERC Code, SAMREC Code, SEC Industry Guide 7, and Certification Code) along with removal of the entire Part 7 of the Instrument related to use of foreign codes. Due to international harmonization of the definition standards and mineral estimation by the CRIRSCO-aligned countries we do not anticipate any effect on compliance costs for issuers. The proposed amendment will apply to approximately 20 issuers that use or have used a foreign code over the last four years or 6% of issuers with mineral projects.

ii. Property vs Mineral Project

Throughout the Instrument the terms property and mineral project are used interchangeably, but using two different terms has caused confusion for some issuers. We propose to replace the undefined term property with the defined term “mineral project”. We do not anticipate that the proposed amendment will have any impact on compliance costs for issuers and may benefit issuers by reducing the uncertainty of having two separate but similar terms. The proposed amendment will apply to all 338 issuers.

iii. Disclosure and Material Mineral Projects

Currently, many disclosure requirements pertaining to scientific and technical information only apply to an issuer’s material mineral projects. This includes written and oral statements, disclosure of exploration information, data verification, mineral resources and mineral reserves, and naming the qualified person who prepared or approved the scientific and technical information. In practice, all issuers that disclose scientific and technical information on their non-material mineral projects follow the disclosure requirements regardless of materiality. Given the importance of reliable scientific and technical information to investors we are proposing to amend the Instrument to require that disclosure of scientific and technical information made by issuers about their mineral projects, including non-material mineral projects, must comply with the requirements, including naming the qualified person that prepared or approved the disclosure. The proposed amendment will apply to all 338 issuers.

iv. Producing Issuer

Under the Instrument, issuers that meet the “producing issuer” definition may have their Technical Reports prepared by internal qualified persons. The producing issuer definition is based on the Canadian dollar value of gross revenue from mining over the most recently completed fiscal year and three-year fiscal period which has not been updated since 2001. We propose to update the gross revenue thresholds for “producing issuer” to account for over two decades of inflation. The gross revenue threshold will be increased from \$30 million and \$90 million for the most recently completed fiscal year to \$55 million and \$165 million for the most recent three-

year fiscal period. The proposed amendments modernize the threshold value, but we do not expect that the changes will affect any issuers with mineral projects that file Technical Reports.

v. Technical Report

A Technical Report is intended to provide a summary of scientific and technical information about the issuer's material mineral project. The qualified person is responsible for the content of the Technical Report and deciding what information to include. We propose to amend the definition of a "technical report" to replace the phrase "all material scientific and technical information" with "all relevant scientific and technical information" related to the content of a Technical Report as some qualified persons have limited including important information that may not be material to the issuer as a whole but is relevant to the mineral project itself. The proposed amendment will apply to all future Technical Reports. We do not anticipate any impact on compliance costs and we expect the proposed amendment will clarify that the qualified person is not expected to determine materiality but is expected to determine what information is relevant to the mineral project and needs to be disclosed in the Technical Report.

vi. Totaling Inferred Resources

The Instrument currently prohibits adding inferred mineral resource estimates together with other categories of mineral resource estimates to disclose total mineral resources. Canada is the only jurisdiction that has this disclosure restriction which has been in place since 2001. Based on international industry practice and discussions with CIM, we propose to remove this prohibition if individual mineral resource estimate categories are also disclosed separately. The proposed amendment will benefit approximately 106 issuers or 31% of issuers with mineral projects at the mineral resource stage or higher by reducing the time required to report inferred resource estimates separately.

vii. Technical Report Triggers

Several triggers for Technical Reports are no longer relevant due to changes in other National Instruments and Exchange policies. We propose to remove the rights offering circular trigger reflecting changes to the rights offering regime since 2011. We also propose to remove the outdated TSX Venture Exchange short form offering document trigger which has not been used by issuers with mineral projects in over a decade. The proposed amendments will not affect any issuers with mineral projects.

viii. Delayed Personal Inspection

When filing a Technical Report, the Instrument allows for a deferral of the current personal inspection of the material mineral project by the qualified person due to seasonal weather conditions if the personal inspection is conducted as soon as possible and the Technical Report is refiled. This allowance was put in place in 2005 for a unique situation and is now used only rarely. As the current personal inspection is seen as a critical part of the qualified person's verification process, we propose removing the allowance for a delay in a current personal inspection. The proposed amendment will emphasize the importance of the personal inspection requirements and will apply to all future Technical Reports.

ix. Royalty Issuers

Issuers that only hold a royalty or similar interest in a mineral project may be required in certain circumstances to file a Technical Report on their material royalties, but these Technical Reports provide limited information as the qualified person does not have access to the operator's data, no ability to complete a personal inspection, and cannot verify the technical information. The requirement for royalty-only issuers to file a Technical Report has evolved over time and based on CSA staff's reviews and feedback from the Consultation Paper we propose removing the requirement for a royalty-only issuer to file a Technical Report on their material mineral projects. The proposed amendment will benefit approximately 11 issuers or 3% of issuers with mineral projects who have filed a total of 4 Technical Reports over the past four years.

x. Qualified Person

The definition of a "qualified person" under the Instrument has evolved since 2001 to address gaps in the requirements necessary for an individual to act as a qualified person. Based on feedback from the Consultation Paper and reviews by CSA staff, we propose to revise the qualified person definition to better align with the CRIRSCO definition of a "competent person" and to clarify certain requirements including:

- (a) Removing the education requirement as this is already covered by the "professional association" definition.



- (b) Clarifying that an individual's experience in the minerals industry must be professional experience gained after registration as a geoscientist or engineer with a "professional association".
- (c) Including the concept of appropriate experience relevant to the subject matter of the mineral project with guidance on the term appropriate experience provided in the Companion Policy.

The proposed amendments will apply to all 338 issuers providing needed clarity to the industry ensuring that only geoscientists and engineers with appropriate and relevant professional experience can act as a qualified person on behalf of the issuer. We do not anticipate any impact on compliance costs as most issuers already engage a qualified person that meets the proposed amendments to the definition.

xi. Preliminary Economic Assessments

Disclosure of preliminary economic assessments (**PEA**) has been an area of significant non-compliance since 2011 particularly related to disclosure of a PEA after establishing mineral reserves which has led to staff interventions and refile of Technical Reports. Part of the non-compliance may be due to the term PEA not being well defined in the Instrument. To address this, we propose to replace the term "preliminary economic assessment" with the internationally recognized term of "scoping study" which will be incorporated by reference into the Instrument through the CIM definition standards. CSA staff have worked with CIM to ensure the scoping study definition aligns with CRIRSCO with additional guidance provided for the Canadian context. We are also proposing additional disclosure of certain technical information along with specific cautionary statements to be included to alert investors about the conceptual nature of scoping studies and the use of inferred mineral resources in these studies. The proposed amendments, which reflect international harmonization, will potentially benefit approximately 26 PEA-stage issuers or 8% of issuers with mineral projects by providing needed clarity and potentially reducing the number of staff interventions of Technical Reports that are required to be revised and refiled.

xii. Exploration Target and Life of Mine Plan

The term "exploration target" is not currently defined in the Instrument, although disclosure related to this concept is allowed under the current requirements for issuers with exploration-stage mineral projects. Similarly, the term "life of mine plan" is often used by issuers in production, but this term is also not defined in the Instrument. We propose to incorporate by reference into the Instrument the internationally recognized terms "exploration target" and "life of mine plan" which are aligned with CRIRSCO. This proposed amendment will provide needed clarity to the industry and will also benefit issuers that provide information related to these terms.

xiii. Equivalent Grades

CSA staff have observed deficiencies in the disclosure of issuers when disclosing an equivalent grade. Specifically, issuers fail to incorporate the impact of recoveries of the various metals in the calculation of the equivalent grade. We propose to specifically require issuers to include metal recovery for each metal used in the equivalent grade calculation when disclosing multiple metals as a single equivalent grade. The proposed amendment reflects staff's efforts since 2021 requiring some exploration stage issuers to include metal recoveries when reporting an equivalent grade. Approximately 20, or 13%, of the 156 exploration stage issuers have previously reported equivalent grades without considering metal recoveries, but due to staff's interventions, it is now industry practice to consider recoveries of each metal. The proposed amendments will benefit issuers by clearly stating the requirement for disclosing equivalent grades.

xiv. Renumbering of the Instrument's Sections

To reflect the updated CSA drafting conventions, we are renumbering the Instrument's sections as 1, 2, 3 etc., regardless of the part in which the section is located. The proposed amendments will apply to all 338 issuers, but we do not anticipate any significant effect on compliance costs for issuers, although, it may take time for some issuers to adjust to the renumbering system.

**b. Technical Report (Form 43-101F1)**

The proposed amendments to the Form are intended to modernize, refresh, and clarify the 2011 requirements to reflect changes in industry practice, investor expectations, and evolving policy considerations. For each Proposed Amendment a brief description is provided along with the approximate number and percentage of future Technical Reports filed by Ontario issuers affected by the proposed changes based on the development stage of Technical Reports.

Based on data related to the development stage of Technical Reports filed on SEDAR+ from 2020 to 2023 there was an average of 180 Technical Reports filed per year by reporting issuers with mineral project that have Ontario as their principal regulator.

These 180 Technical Reports were filed by an average of 120 issuers meaning some issuers file several Technical Reports per year. The 120 issuers that filed a Technical Report in a particular year represents about 36% of the overall population of reporting issuers with mineral projects that have Ontario as their principal regulator.

Below is the approximate breakdown by development stage of the 180 Technical Reports filed per year over the past four years:

- **Production** – 15 Technical Reports (8%)
- **Development (Mineral Reserve)** – 17 Technical Reports (9%)
- **Development (Preliminary Economic Assessment)** – 21 Technical Reports (12%)
- **Mineral Resource** – 53 Technical Reports (29%)
- **Exploration** – 73 Technical Reports (41%)
- **Royalty** – 1 Technical Report (1%)

Below is the approximate breakdown related to the nature of the qualified persons who prepared technical disclosure in the 180 Technical Reports filed per year over the past four years:

- **Qualified Person from Consulting Firms** – 65%
- **Individual qualified person** – 22%
- **Internal qualified person** – 13%

Based on the breakdown above, 87% of Technical Reports filed were prepared by independent qualified persons.

We are proposing several amendments to the Form which include:

i. Instructions

We propose limiting the number of instructions included in the Form to only technical directions related to preparing a Technical Report. To accomplish this, we propose to incorporate some instructions as a disclosure requirement in the Form and move the remaining instruction into the Companion Policy. We do not anticipate any effect on compliance costs for issuers as the majority of the instructions already relate to specific Items in the Form and are considered disclosure requirements.

ii. All Mineral Project Stages

The current Instrument includes definitions of “early-stage exploration property” and “advanced property” which some issuers have used to improperly limit information in Technical Reports for projects that are in production but do not meet the definition of an “advanced property”. We propose streamlining the disclosure requirements in the Form to be suitable for all mineral project stages to capture all relevant scientific and technical information by removing the inaccurate definitions of “early-stage exploration property” and “advanced property”. The proposed amendments will benefit all issuers by providing needed clarity regarding their disclosure requirements and will apply to all Technical Reports filed per year.

iii. Title Page

Several issuers have included the stage of development of the mineral project on the title page of the Technical Report, such as exploration, mineral resource, PEA, prefeasibility study, operations, etc. which provides investors with very useful information. We propose requiring all issuers to state the development stage of the mineral project on the title page for all Technical Reports. The proposed amendment will apply to all Technical Reports filed per year benefiting investors and providing issuers with standardized disclosure requirements.

iv. Current Personal Inspection

The current personal inspection of the mineral project by the qualified person is a critical part of any Technical Report. Currently, information related to the personal inspection by the qualified person is included under a paragraph in the Introduction Item of the Form. We propose including a new standalone Item in the Form for information related to the current personal inspection by each qualified person. The proposed amendment simply relocates the disclosure about the current personal inspection by the qualified persons into a standalone Item in the Form providing clarity about the disclosure requirements. The proposed amendment will apply to all Technical Reports filed per year.

v. Reliance on Other Experts

The Reliance on Other Experts Item of the Form is an area with one of the highest observed incidences of non-compliance. This Item is only for information concerning four specific non-technical matters: legal, political, environmental, and tax where the qualified person may rely on another expert. In some cases, the qualified person also included reliance on others related to technical information which is outside of the four non-technical matters. This Item also provides a seldom used provision for reliance on an expert for diamond and gemstone pricing that we propose to remove. These amendments are intended to benefit all issuers leading to improved compliance with the Reliance on Other Experts Item and potentially reducing the number of Technical Reports requested by regulators to be revised and refiled. The proposed amendments will apply to all Technical Reports filed per year.

vi. Mineral Project and Description

Based on feedback from the Consultation Paper we are proposing to require additional disclosure in the Technical Report related to the issuer's permits or agreements with Indigenous Peoples, rightsholders or communities, in order for the issuer to conduct work on the mineral project. It is our understanding that Indigenous Peoples in Canada and throughout the world are considered rightsholders whose lands often overlap with an issuer's mineral project. We propose to clarify that permits and agreements with rightsholders specifically includes Indigenous Peoples. The ability for an issuer to obtain permits or agreements with rightsholders and Indigenous Peoples to conduct work is now routinely required by many jurisdictions and local governments throughout the world. We also propose to remove the words "to the extent known" before the requirement to discuss royalties, permits, and risk factors affecting access to the mineral project. We have seen instances where these words have been used by the qualified person to not inquire about these important factors. The proposed amendments will clarify the issuer's disclosure obligations and will apply to all Technical Reports filed per year.

vii. Data Verification

Verification of technical data by the qualified person is a critical step for any mineral project along with the qualified person stating their professional opinion that the technical data is suitable for the purpose used in the Technical Report. CSA staff have seen examples of inadequate disclosure of data verification by the qualified person even though the qualified person has in fact verified the data as part of their professional obligation. Some qualified persons have incorrectly interpreted that disclosure of data verification only applies to exploration and drilling activities and not to other technical data, such as metallurgy, mining methods, infrastructure, etc. We propose to clarify the existing requirement for the qualified person to disclose the data verification they conducted regarding the technical information for which they are responsible and to state their professional opinion on the suitability for the data. The proposed amendment will streamline the disclosure requirement and will apply to all Technical Reports filed per year.

viii. Metallurgical Testing

Metallurgical testing of mineralization is important to establish the potential recovery of a saleable product and to support the determination of the cut-off grade of the mineral resource. Mineral processing information is also one of the factors used to support the confidence categories of mineral resources. We propose to remove the words "to the extent known" before the requirement to discuss whether samples are representative of the mineralization and if there are any deleterious elements present. We have seen instances where these words have been used by the qualified person to limit their inquiry about these important factors. The proposed amendment reflects industry practice and will benefit issuers by clarifying the disclosure requirements. The proposed amendment will apply to approximately 106 mineral resource stage or higher Technical Reports, representing approximately 59% of the total Technical Reports filed per year.

ix. Mineral Resource Estimates

Mineral resource estimates represent a significant milestone for all issuers with mineral projects and these estimates are considered the foundation for all subsequent engineering studies used to establish the economic viability of the mineral project. In November 2019, CIM published Estimation of Mineral Resources and Mineral Reserves Best Practice Guidelines to assist issuers and qualified persons in preparing mineral resource estimates using current industry practices. In June 2020, we published CSA Staff Notice 43-311 *Review of Mineral Resource Estimates in Technical Reports* in which staff noted several observed deficiencies in disclosure of mineral resource estimates. Since 2020, we have generally seen enhanced disclosure by qualified persons in Technical Reports explaining how the mineral resource estimate was determined which we interpret to be due the 2019 CIM Guidelines and the 2020 CSA Staff Notice. We propose to modernize the Technical Report disclosure requirements to reflect current industry practice by requiring information about how reasonable prospects for economic extraction were determined, the classification of the mineral resource

estimate, the issuer's attributable percentage of the estimate, and project-specific risks related to the mineral resource estimate. The proposed amendments will benefit both investors and issuers by updating and aligning the disclosure requirements with industry practice. The proposed amendment will apply to approximately 106 mineral resource stage or higher Technical Reports, representing approximately 59% of total Technical Reports filed per year.

x. Environmental Studies, Permitting and Regional or Local Impact

Over the past decade, CSA staff have seen an increase in public and investor awareness of environmental and social issues impacting mineral projects. However, disclosure requirements related to environmental, permitting, and social matters in a Technical Report have remained largely unchanged since 2001. Proposed amendments include disclosure of the dates and status of government-related environmental studies and local permitting requirements. We understand and appreciate that matters related to rightsholders and environmental and social issues pertaining to the mineral project can change quickly compared to the mineral project's technical information. Since Technical Reports can remain current for several years based on the mineral project's technical information, we are proposing several changes to take this fact into consideration. Rather than requiring a summary of environmental studies and agreements with local communities at a specific point in time when the Technical Report is prepared, we are proposing that the Technical Report will discuss available information on environmental, permitting and other regional or local factors concerning the mineral project, including the source of the information, and the status and dates of any agreements entered into with Indigenous Peoples, rightsholders or communities. The proposed amendment will apply to approximately 53 development stage and production stage Technical Reports, representing approximately 29% of total Technical Reports filed per year.

xi. Capital and Operating Costs

Capital and operating cost assumptions are integral to the financial and economic analysis of development stage mineral projects. Staff have seen examples of mineral projects where cost assumptions have been underestimated due to various factors including poor professional practice. While the Instrument is a disclosure-based regulation, not a professional practice-based requirement, more specific information related to how the cost estimates were determined by the qualified person may be useful for investors to make informed investment decisions. We propose to modernize the disclosure requirements related to cost estimates assumptions, the cost estimate classification system used, the accuracy of each cost element, and costs related to mine closure, remediation, and reclamation. Based on OSC staff's observations, many issuers with development stage or production stage mineral projects already voluntarily provide this type of information related to their cost estimates. The proposed amendments will benefit both investors and issuers by clarifying the disclosure requirements which also reflect current industry practice. The proposed amendments will apply to approximately 53 development stage and production stage Technical Reports, or 29% of Technical Reports, filed per year.

xii. Economic Analysis

The economic analysis Item of the Form provides key metrics for investors related to potential future cash flows, net present value, internal rate of return, and payback period of capital for development stage mineral projects. Staff observe that although this information is already provided by many issuers with development stage mineral projects, we believe further clarification of the disclosure requirements would benefit investors. We propose to update the requirements for issuers to specifically disclose pre-tax and after-tax outcomes of key metrics using a risk-adjusted discount rate rejecting the current economic environment, location of the mineral project, and the mineral project's stage of development. The proposed amendments, which reflect current industry practice, will apply to approximately 38 development stage Technical Reports, or 21% of Technical Reports, filed per year.

xiii. Adjacent Properties

Disclosure in the adjacent properties Item of the Form related to mineralization contained on properties adjacent to the issuer's mineral project is often used for overly promotional disclosure in exploration stage Technical Reports. We propose to remove the adjacent properties Item from the Form since issuers with exploration stage mineral projects can discuss mineralization on adjacent properties in the geological setting and mineralization Item which requires a cautionary statement that this information is not necessarily indicative of mineralization on the issuer's mineral project. Removal of the adjacent properties Item in the Form will benefit all Technical Reports filed per year since the qualified person will not be required to discuss this information in the Technical Report.

**c. Companion Policy**

Based on feedback for the Consultation Paper we are proposing to provide more comprehensive guidance in the Companion Policy to benefit issuers and qualified person preparing scientific and technical information in compliance with both the Instrument and the Form. In addition to expanding the existing guidance related to the Instrument, we are proposing to include new guidance specific to disclosure in the Form. Based on CSA staff's reviews and inquiries from issuers and their advisors there is a need for guidance related to providing disclosure in accordance with the Form. We expect the expanded and the new guidance in the Companion Policy will benefit all issuers and qualified persons preparing technical disclosure in compliance with the requirements of the Instrument and the Form.

**5. Affected Stakeholders**

The primary stakeholders that will be impacted by the Modernized Disclosure Requirements are issuers with mineral projects, investors and qualified persons. The Modernized Disclosure Requirements will also impact Indigenous Peoples, rightsholders or communities and other rightsholders with land connections and traditional territories where the mineral project is located.

**a. Issuers with Mineral Projects**

The Modernized Disclosure Requirements will primarily affect reporting issuers with mineral projects that are required to comply with the disclosure requirements of the Instrument and the Form. Based on preliminary data obtained from stock exchanges, we estimate as of June 30, 2024, there are 338 reporting issuers with mineral projects that have Ontario as their principal regulator. We estimate the breakdown by market capitalization of these 338 issuers is:

- **Greater than \$1 billion** (29 issuers) – 9%.
  - The majority are producers and several royalty issuers.
- **From \$100 million to \$1 billion** (57 issuers) – 17%.
  - These are a mixture of producers, development, and mineral resource issuers.
- **From \$10 million to \$100 million** (109 issuers) – 32%.
  - These are a mixture of producers, development, and mineral resource issuers.
- **Less than \$10 million** (143 issuers) – 42%.
  - The majority are exploration issuers.

From a CSA-wide perspective, based on research from September 2024 using Avantis.com, Canadian jurisdictions regulate approximately 1,590 reporting issuers with mineral projects with 70% having the British Columbia Securities Commission as their principal regulator, 21% having the OSC as their principal regulator (338 issuers), 5% having the Quebec Autorité des marchés financiers as their principal regulator, 3% having the Alberta Securities Commission as their principal regulator, and the remaining 1% having another CSA jurisdiction as their principal regulator.

Proposed amendments to the Instrument and the Form are intended to refresh, update, and clarify the current disclosure requirements to reflect changes in industry practice, international harmonization, investor expectations, and evolving policy considerations. Overall, we anticipate that most Ontario reporting issuers with mineral projects will not incur a material increase in compliance costs related to the Modernized Disclosure Requirements, although we recognize there will be implementation and transition costs for issuers to become familiar with the proposed amendments. The regulatory framework of the Instrument and the Form have been in place for over two decades in Canada and the proposed changes mostly relate to modernizing and streamlining the Instrument and the Form reflecting international harmonization and current industry practice. In addition, we think the proposed guidance in the Companion Policy will benefit issuers and qualified persons preparing technical disclosure by potentially lowering the amount of intervention by regulators.

**b. Investors**

The Modernized Disclosure Requirements are intended to provide investors and their advisors with more comprehensive and decision-useful technical information related to an issuer's mineral projects which should help investors make more informed investment decisions. This in turn will potentially reduce the cost of capital and enhance capital formation. The proposed amendments are also intended to align, where appropriate, the Instrument and the Form disclosure requirements with CRIRSCO-based disclosure standards which may benefit investors' ability to compare and evaluate these disclosures across issuers fostering more efficient investment decisions. Additionally, investors seeking disclosure that may align with their values related to environmental, permitting and other regional or local factors concerning the mineral project, and agreements with Indigenous

Peoples, rightsholders or communities may benefit from the sources of online information provided in the Form. Investors will not incur any direct costs related to the proposed changes.

**c. Qualified Person**

We are of the view that the Modernized Disclosure Requirements will not negatively affect professional geoscientists and professional engineers who conduct technical work as qualified persons that form the basis for disclosure under the Instrument and in the Form. Based on data from the OSC related to the nature of the qualified persons who prepared technical disclosure in the approximately 180 Technical Reports filed per year, 87% are independent with 65% employed by consulting firms and 22% individual qualified persons (i.e. sole proprietors) with the remaining 13% internal qualified persons employed directly by the mining issuer.

The proposed amendments to the definition of a “qualified person” provides needed clarity to the industry and is better aligned with the requirements of the CRIRSCO definition of a competent person. We do however recognize that the proposed amendments may restrict a small number of junior geoscientists and junior engineers with limited professional experience or previously unregistered practitioners from acting as a qualified person. We do not anticipate any increase in compliance costs for issuers as most already engage a qualified person that meets the proposed clarification to the definition.

**d. Indigenous Peoples, Rightsholders or Communities**

We considered feedback from the Consultation Paper from groups representing Indigenous Peoples in Canada to add the requirement for prescriptive disclosure in the Form related to rights of Indigenous Peoples and the relationship of issuers with Indigenous Peoples. We also considered whether we should require the qualified person or another expert to validate the issuer’s disclosure related to its relationship with Indigenous Peoples.

The Instrument is a disclosure-based regime specific to scientific or technical information about an issuer’s mineral project. The Instrument does not grant permits or licences for mineral exploration, development, or extraction activities, or directly affect the rights or title of Indigenous Peoples. The permits and licences required to explore, develop, or extract minerals are granted by various governmental agencies in the jurisdiction or country where the mineral project is located.

Technical Reports are milestone driven documents triggered to support an issuer’s technical information about their mineral project. Information related to the relationship of Indigenous Peoples, rightsholders or communities with issuers can shift quickly and may be outdated in the previously filed Technical Report if events change before the next Technical Report is triggered to support new technical information. For these reasons, it is staff’s view that disclosure of the relationship of Indigenous Peoples with issuers should more appropriately form part of the issuer’s ongoing continuous disclosure record.

**6. The Modernized Disclosure Requirements and the OSC Mandate**

The OSC considers the impact of proposed rulemaking on the OSC’s mandate to:

- Provide protection to investors from unfair, improper or fraudulent practices,
- Foster fair, efficient, and competitive capital markets and confidence in the capital markets,
- Foster capital formation, and
- Contribute to the stability of the financial system and the reduction of systemic risk.

The Modernized Disclosure Requirements will impact the capital formation, competition, and efficiency components of the OSC’s mandate. Specifically, the proposed amendments facilitate:

- Capital formation by continuing to require issuers provide timely continuous disclosure of material information and offering documents that are accurate, comparable, and complete and facilitating opportunities for investors to assess risks and make informed investment decisions.
- Harmonization by modernizing and streamlining many disclosure requirements to better align with international disclosure standards, changes in industry practices and evolving policy considerations.
- Confidence in capital markets by requiring enhanced disclosure in certain key areas related to mineral projects providing decision-useful information for investors to achieve more efficient capital allocation.
- Efficiency by reducing regulatory burden on issuers related to several areas of disclosure and removing outdated disclosure requirements that are no longer considered relevant.

- Competition by providing standardized disclosures that facilitate peer benchmarking and enhances competition among issuers for capital both across and within industries. Standardized reporting also reduces investors' costs associated with acquiring and processing disclosures by issuers with mining projects.

## 7. Analysis of the Anticipated Costs and Benefits of the Modernized Disclosure Requirements

The following analysis examines the costs and benefits to the affected stakeholders from the Modernized Disclosure Requirements. In our view, the Modernized Disclosure Requirements will:

- Ensure Canada continues to maintain its leadership role globally in mining capital formation and mineral project disclosure requirements.
- Promote capital formation by modernizing and clarifying the disclosure requirements and providing better alignment with international disclosure standards and current industry practice.
- Streamline disclosure requirements without compromising investor protection.
- Enhance investor protection by providing investors with consistent and comparable, information to make informed investment decisions.

### Summary of Anticipated Costs and Benefits

#### a. Issuers with Mineral Projects

The proposed amendments relate to two elements of the disclosure requirements for issuers with mineral projects. The first element involves proposed amendments to the overall disclosure requirements for scientific and technical information under the Instrument. The second element involves proposed amendments to disclosure requirements under the Form related to an issuer's material mineral projects.

Overall, we anticipate that the Modernized Disclosure Requirements will have minimal effect on existing compliance costs for issuers who already prepare disclosure under the current requirements since the focus of the proposed amendments are to modernize, streamline and clarify the requirements to reflect international harmonization and current industry practice. We acknowledge that issuers with mineral projects will incur some implementation and transition costs to become familiar with the proposed amendments to the Instrument and the Form once they have been published as final amendments and final changes, but we expect any increase in compliance costs will be minimal.

#### Proposed Changes to Instrument with Minimal Effect on Compliance Costs

Instrument	Number of Issuers	Percentage of Issuers
Foreign Codes	20	6%
Property vs Mineral Project	338	100%
Disclosure and Material Mineral Projects	338	100%
Producing Issuer	0	0%
Technical Report	180	53%
Technical Report Triggers	0	0%
Delayed Personal Inspection	1	0.3%
Qualified Person	338	100%
Exploration Target and Life of Mine Plan	338	100%
Data Verification	338	100%
Equivalent Grades	20	6%
Renumbering Sections	338	100%

## Proposed Changes to Form with Minimal Effect on Compliance Costs

Technical Report	Number of Technical Reports Per Year	Percentage of Technical Reports Per Year
Instructions	180	100%
All Mineral Project Stages	180	100%
Title Page	180	100%
Current Personal Inspection	180	100%
Mineral Project and Description	180	100%
Data Verification	180	100%
Metallurgical Testing	106	59%
Mineral Resource Estimates	106	59%
Environmental Studies, Permitting and Regional or Local Impact	53	29%
Capital and Operating Costs	53	29%
Economic Analysis	38	21%

Our estimated costs and savings for reporting issuers with Ontario as their principal regulator to engage qualified persons to prepare technical disclosure is based on an assessment by the OSC's staff of senior geologists with input from other CSA staff geologists and engineers. In addition, OSC staff have benchmarked our estimates based on informal discussions with qualified persons who prepare technical disclosure under the current disclosure requirements. In deriving our estimates, we recognize that the burden and costs as well as the benefits and savings will vary among individual issuers based on several factors, including the stage of development of their mineral projects, the number of mineral projects, the internal technical expertise, and the size and complexity of their operations. The estimates take into consideration two elements of the disclosure requirements, the Instrument and the Form:

- **Instrument** - For the proposed amendments to the Instrument related to overall disclosure requirements, typically completed by the issuer's internal qualified persons, we estimate an average rate of \$100/hour.
- **Form** - For the proposed amendments related to the Form, we estimate that 13% of the Forms will be completed by an internal qualified person with an estimated average rate of \$100/hour. Approximately 22% of Forms will be prepared by an external sole proprietor qualified person with an estimated average charge rate of \$250/hour. The remaining 65% of Forms will be completed by an external qualified person employed by a consulting firm with significant overhead and specialization at an estimated average charge rate of \$350/hour.

We recognize that the most significant burden and cost for issuers with mineral projects involves the qualified person preparing a milestone driven Technical Report to support the technical disclosure on the issuer's material mineral projects. The cost of preparing a Technical Report can vary widely depending on several factors including the development stage and complexity of the project, the amount of data to be analyzed, the level of detail required, whether the qualified person is internal, a sole proprietor, or part of a consulting firm, and the extent of involvement of other professionals and experts. We also recognize that if an issuer is requested by a regulator to revise and refile a previously filed Technical Report to address compliance concerns, external legal counsel may be involved. We have estimated an average rate of \$405/hour for external legal counsel based on the Law Society of Ontario fee schedule.<sup>1</sup>

**(A) Benefits**

The primary benefits to issuers with mineral projects will be:

- Enhanced regulatory certainty and clarity – The Modernized Disclosure Requirements reflect international harmonization of the disclosure standards and modernization reflecting current industry practice. We anticipate that clearer rules will generally lead to reduced overall operational and compliance costs to issuers with mineral projects. Regulatory certainty could also facilitate better-informed decision-making by issuers with mineral

<sup>1</sup> Law Society Outside Counsel Fee Schedule. (2025, January 10). <https://lso.ca/getdoc/1a17fa67-7a08-4a5b-b945-a3fb6ae45e9d/fee-schedule>



projects, allowing them to better assess risk and opportunities and appropriately allocate resources to compliance.

- Reduced information asymmetry and a lower cost of capital – Information asymmetry describes situations where one party has more or better information relevant to an investment decision than the other party. Studies have confirmed that “high quality financial and social disclosures reduce the cost of capital by decreasing information asymmetry”.<sup>2</sup> The proposed amendments should lower the cost of capital by enhancing disclosure by issuers with mining projects and reducing information asymmetry between them and investors.

#### a. Instrument

##### i. Totaling Inferred Resources

We anticipate the proposed amendment to remove the prohibition of adding inferred mineral resource estimates together with other categories of mineral resource estimates to disclose total mineral resources will potentially benefit approximately 106 issuers. This includes issuers at the mineral resource stage or higher by reducing the time required to report inferred resource estimates separately in their disclosure as well as potentially reducing the review time by legal counsel to check the issuer’s disclosure for this prohibition. We anticipate that the benefits and savings associated with this proposed amendment could save 0.5 to 1 hour for internal qualified persons at a rate of \$100/hour. We estimate total savings may range from **\$5,300 to \$10,600** across the industry of Ontario regulated issuers with mineral projects.

##### ii. Royalty Issuers

We anticipate the proposed amendment to remove of the requirement for royalty issuers to file a Technical Report on their material mineral projects will benefit approximately 11 issuers who have filed a total of four Technical Reports over the past four years. On a yearly basis, we expect that this proposed amendment may reduce the filing of **one** Technical Report prepared by an independent qualified person from a consulting firm at a charge rate of \$350/hour. We estimate the savings associated with this could range from **\$45,150 to \$54,950** across the industry of reporting issuers with mineral projects that have Ontario as their principal regulator.

##### iii. Preliminary Economic Assessments

We anticipate the proposed amendment to harmonize with international standards by replacing the term “preliminary economic assessment” with “scoping study” and adding clarity to the requirements could potentially reduce the number of staff interventions of Technical Reports that are required to be revised and refiled. The proposed amendment may potentially benefit approximately 26 PEA-stage issuers with mineral projects. We anticipate that the benefits and savings associated with issuers not having to revise and refile disclosure related to PEAs would save 8 to 16 hours to amend a Technical Report at a weighted average hourly charge rate of \$325/hour for independent qualified persons and 4 to 6 hours at a rate of \$405/hour for external legal counsel review. Based on an overall weighted average of approximately \$350/hour, we estimate total savings may range from **\$109,200 to \$200,200** across the industry of reporting issuers with mineral projects that have Ontario as their principal regulator.

#### Instrument – Estimated Cost Savings Per Issuer Affected (annual cost savings)

Proposed Amendments	Number of Issuers	Per Issuer		Industry-Wide	
		Reduced Hours	Estimated Cost Savings Per Hour	Total Reduced Hours	Total Estimated Cost Savings
Totaling Inferred Resources	106	0.50 - 1.0	\$100	53 - 106	\$5,300 - \$10,600
Royalty Issuers	1	129 - 157	\$350	129 - 157	\$45,150 - \$54,950

<sup>2</sup> [Cuadrado-Ballesteros, B., Garcia-Sanchez, I.-M. and Martinez Ferrero, J.](#) (2016), "How are corporate disclosures related to the cost of capital? The fundamental role of information asymmetry", *Management Decision*, Vol. 54 No. 7, pp. 1669-1701. <https://doi.org/10.1108/MD-10-2015-0454>

Proposed Amendments	Number of Issuers	Per Issuer		Industry-Wide	
		Reduced Hours	Estimated Cost Savings Per Hour	Total Reduced Hours	Total Estimated Cost Savings
Preliminary Economic Assessments	26	12 - 22	\$350	312 - 572	\$109,200 - \$200,200
<b>Total Estimated Cost Savings</b>	133	142 - 180	\$100 - \$350	494 - 835	\$159,650 - \$265,750

We estimate that reporting issuers with mineral projects that are affected by the proposed amendments to the Instrument may experience annual cost savings of approximately **\$159,650 to \$265,750** in 2024 dollars across the industry of reporting issuers with mineral projects that have Ontario as their principal regulator.

**b. Technical Report**

i. Reliance on Other Experts

We assume the proposed amendments the reliance on other experts Item of the Technical Report with redrafting of the requirements and providing added clarity may lead to improved compliance by issuers and potentially reduce the number of Technical Reports requested by regulators to be revised and refiled. The proposed change will affect all 180 future Technical Reports filed per year and save 4 to 8 hours for an independent qualified person to revise the disclosure using a weighted average rate of \$325/hour. We estimate total savings could range from **\$234,000 to \$468,000** across the industry of reporting issuers with mineral projects that have Ontario as their principal regulator.

ii. Adjacent Properties

We anticipate the proposed amendment to remove the adjacent properties Item from the Form may potentially benefit all 180 future Technical Reports since the qualified person will not be required to discuss this information in every Technical Report. We estimate this could save 8 to 12 hours for an independent qualified person using a weighted average rate of \$325/hour. We estimate total savings could range from **\$331,200 to \$496,800** across the industry of reporting issuers with mineral projects that have Ontario as their principal regulator.

**Technical Report – Estimated Cost Savings Per Technical Report Filed** (annual cost savings)

Proposed Amendments	Number of Future Technical Reports Affected Per Year	Per Issuer's Technical Report		Industry-Wide	
		Average Reduced Hours Per Technical Report	Hourly Estimated Cost Savings Per Technical Report	Total Reduced Hours	Total Estimated Cost Savings
Reliance on Other Experts	180	4 - 8	\$325	720 - 1,440	\$234,000 - \$468,000
Adjacent Properties	180	8 - 12	\$325	1,440 - 2,160	\$468,000 - \$702,000
<b>Total Estimated Cost Savings</b>	180	12 - 20	\$325	2,160 - 3,600	<b>\$702,000 - \$1,170,000</b>

We estimate that reporting issuers with mineral projects that file a Technical Report may experience annual cost savings of approximately **\$702,000 to \$1,170,000** in 2024 dollars based on the proposed amendments to the Form across the industry of reporting issuers with mineral projects that have Ontario as their principal regulator.

### c. Companion Policy

The proposed changes involve substantial revisions to the Companion Policy to include updated guidance related to the Instrument and new guidance specific to disclosure related to the Technical Report. We expect this additional information and guidance will provide clarity that will benefit all issuers and the qualified persons preparing technical disclosure in compliance with the Instrument and the Technical Report.

When staff conduct disclosure reviews of an issuer's information either publicly filed on SEDAR+ or posted on an issuer's website that identifies disclosure deficiencies, this may lead to corrective disclosure by the issuer and associated costs for external legal counsel and qualified persons which can potentially be significant.

Based on data from the OSC related to staff interventions, 54 Technical Reports were amended and refiled between 2020 and 2023 representing an average of approximately 14 Technical Reports amended and refiled per year. In addition, based on data from the OSC related to staff interventions, 27 clarifying news releases were filed between 2020 and 2023 representing an average of approximately 7 clarifying news releases per year. While we recognize that the proposed changes to the Companion Policy may not eliminate all refilings and clarifications, we have assumed the numbers above for calculation purposes.

We anticipate that the benefits and savings associated with issuers not having to revise and refile disclosure would save 20 to 40 hours to amend a Technical Report at a weighted average hourly rate of \$325/hour for independent qualified persons and 8 to 12 hours at a rate of \$405/hour for external legal counsel review. Based on an overall weighted average of approximately \$345/hour, we estimate total savings could range from **\$135,240 to \$251,160** across the industry of reporting issuers with mineral projects that have Ontario as their principal regulator.

We anticipate that the benefits and savings associated with issuers not having to revise and refile disclosure in a clarifying news release would save 8 to 16 hours at an hourly rate of \$100/hour for internal qualified persons and 1 to 3 hours at a rate of \$405/hour for external legal counsel review. Based on an overall weighted average of approximately \$144/hour we estimate total savings could range from **\$8,064 to \$19,152** across the industry of reporting issuers with mineral projects that have Ontario as their principal regulator.

#### Companion Policy – Estimated Cost Savings Per Issuer Affected (annual cost savings)

Corrective Disclosure	Number of Issuers	Per Issuer		Industry-Wide	
		Reduced Hours	Estimated Cost Savings Per Hour	Total Reduced Hours	Total Estimated Cost Savings
Amended Technical Report	14	28 - 52	\$345	392 - 728	\$135,240 - \$251,160
Clarifying News Release	7	8 - 19	\$144	56 - 133	\$8,064 - \$19,152
<b>Total Estimated Cost Savings</b>	21	36 - 71	\$144 - \$345	756 - 1,941	<b>\$143,304 - \$270,312</b>

We estimate that reporting issuers with mineral projects may experience annual cost savings related to the proposed changes to the Companion Policy by not having to revise and refile disclosure including Technical Reports and clarifying news releases of approximately **\$143,304 to \$270,312** in 2024 dollars across the industry of reporting issuers with mineral projects that have Ontario as their principal regulator.

### (B) Costs

Overall, we anticipate that the Modernized Disclosure Requirements will have minimal effect on existing compliance costs for issuers with mineral projects who already prepare disclosure under the current requirements. The focus of the proposed amendments is to modernize and streamline the disclosure requirements to reflect international harmonization and current industry practice along with clearer requirements and enhanced guidance.

We acknowledge that issuers with mineral projects will incur some implementation and transition costs to become familiar with the proposed amendments to the Instrument and the Form once they have been published as final amendments, but we expect any increase in compliance costs will be minimal. We anticipate that the minimal costs associated with implementation and transition to the Modernized Disclosure Requirements will vary based on several factors, particularly the reporting issuer's access to internal resources. We have used the reporting issuer's market capitalization as of June 30, 2024 as proxy for this analysis. There are 86 reporting issuers with Ontario as their principal regulator that have a market capitalization greater than \$100 million and will generally be at the development or production stage and will typically have access to sufficient internal resources, including in-house legal counsel, to review and become familiar with the proposed amendments to the Instrument and the Form. We estimate it could take 14 to 28 hours at an hourly rate of \$250/hour for internal legal counsel review. We estimate total costs could range from **\$301,000 to \$602,000** across the industry of reporting issuers with mineral projects that have Ontario as their principal regulator.

There are 252 reporting issuers with Ontario as their principal regulator that have a market capitalization less than \$100 million and will generally be at the mineral resource or exploration stage and will need additional time to review and familiarize themselves with the proposed amendments to the Instrument and the Form. We anticipate this review could be done by internal qualified persons at an hourly rate of \$100/hour and will take between 35 and 80 hours depending on the size of the reporting issuer. We estimate total costs could range from **\$882,000 to \$2,016,000** across the industry of reporting issuers with mineral projects that have Ontario as their principal regulator.

**Implementation - Estimated Costs Per Issuer Affected** (one-time transition costs)

Issuer's Market Capitalization	Number of Issuers	Per Issuer		Industry-Wide	
		Increased Hours	Estimated Costs Per Hour	Total Increased Hours	Total Estimated Costs
Greater Than \$100 million	86	14 - 28	\$250	1,204 - 2,408	\$301,000 - \$602,000
Less Than \$100 Million	252	35 - 80	\$100	8,820 - 20,160	\$882,000 - \$2,016,000
<b>Total Estimated Costs</b>	<b>338</b>	<b>36 - 71</b>	<b>\$100 - \$250</b>	<b>10,024 - 22,568</b>	<b>\$1,183,000 - \$2,618,000</b>

We estimate that reporting issuers with mineral projects may experience one-time transition costs related to implementation of the Modernized Disclosure Requirements ranging from approximately **\$1,183,000 to \$2,618,000** in 2024 dollars across the industry of reporting issuers with mineral projects that have Ontario as their principal regulator.

**b. Investors**

**(A) Benefits**

The primary benefits to investors will be:

- Enhanced disclosure that will reduce information asymmetries between issuers with mineral projects and investors.
- Reduced time spent by investors comparing non-standardized disclosure of complex information provided by issuers with mineral projects.
- Additional disclosure related to cost and evaluation information may lead to investment savings by investors who now have enhanced information in these areas.

**(B) Costs**

Investors will not incur any direct costs related to the Modernized Disclosure Requirements.

**c. Qualified Persons****(A) Benefits**

The primary benefits to qualified persons will be:

- Enhanced guidance in the Companion Policy to assist qualified persons disclosing technical information in compliance with the Instrument and Form.
- Clarified definition of a “qualified person” for preparing scientific and technical disclosure under the Instrument.

**(B) Costs**

We anticipate that costs for qualified persons to become familiar with the Modernized Disclosure Requirements will vary based on the nature of the qualified person’s organization. Qualified persons employed by consulting firms will generally have access to internal training, templates and other resources such that an increase in costs will be minimal. Sole proprietor and internal qualified persons may need additional time to review and become familiar with the proposed amendments to the Instrument and the Form. We are not able to quantify these costs, but they are expected to be minimal for qualified persons who have already prepared disclosure under the current Instrument and Form.

**d. Indigenous Peoples, Rightsholders or Communities****(A) Benefits**

The primary benefits to Indigenous Peoples, rightsholders or communities will be:

- Enhanced disclosure in Technical Reports related to the issuer’s permits and agreements with Indigenous Peoples, rightsholders or communities related to the mineral project.
- Increased transparency regarding the status of the various agreements and negotiations with Indigenous Peoples, rightsholders or communities.

**(B) Costs**

Indigenous Peoples, rightsholders or communities will not incur any direct costs related to the Modernized Disclosure Requirements.

**8. Summary comparison of costs and benefits**

We estimate that reporting issuers with mineral projects that have Ontario as their principal regulator will benefit from minimal ongoing annual costs savings ranging from **\$1,005,000 to \$1,706,000** related to the Modernized Disclosure Requirements. We estimate that the annual savings per reporting issuer will range from approximately **\$3,000 to \$5,050**, although we recognize that savings will vary by reporting issuer based on several factors including the size and complexity of their operations.

We anticipate that the main costs for reporting issuers will be related to implementation and transition to the Modernized Disclosure Requirements and becoming familiar with the proposed amendments to the Instrument and Form. As noted earlier, these one-time transition costs are estimated to range from approximately **\$1,183,000 to \$2,618,000** across the industry of reporting issuers with mineral projects that have Ontario as their principal regulator. We acknowledge that the one-time transition cost per reporting issuer will vary based on the reporting issuer’s access to internal resources and the size and complexity of their operations and are estimated to range from approximately **\$3,500 to \$7,750**.

Overall, we estimate that the costs and benefits related to the Modernized Disclosure Requirements, including the annual savings and the one-time transition costs, will result in a minimal increase on compliance costs ranging from approximately **\$178,000 to \$912,000** during the first year of implementation across the industry of reporting issuers with mineral projects that have Ontario as their principal regulator. We estimate that the increase in costs per reporting issuer will range from approximately **\$500 to \$2,700** during the first year of implementation.

In summary, we anticipate that the increased international harmonization and modernization of the Modernized Disclosure Requirements reflecting current industry practice along with clearer rules and enhanced guidance will lead to reduced overall compliance costs for reporting issuers with mineral projects. The proposed amendments to the Instrument and the Form will also enable Canada to maintain its leadership role in global mining capital formation and mineral project disclosure standards ensuring that investors are provided with consistent and comparable information to make informed investment decisions.

**Instrument and Form - Summary of Estimated Cost Savings Per Issuer Affected** (annual cost savings)

Cost Savings	Number of Issuers	Per Issuer		Industry-Wide	
		Reduced Hours	Cost Savings Per Hour	Total Reduced Hours	Total Cost Savings
Instrument - Proposed Amendments	133	142 - 180	\$100 - \$350	494 - 835	\$159,650 - \$265,750
Technical Report – Proposed Amendments	180 Technical Reports (120 Issuers)	12 - 20	\$325	2,160 - 3,600	\$702,000 - \$1,170,000
Companion Policy - Proposed Changes	21	36 - 71	\$135 - \$300	756 - 1,941	\$143,304 - \$270,312
<b>Total Cost Savings</b>					<b>\$1,004,954 - \$1,706,062</b>

**Implementation – Summary of Estimated Costs Per Issuer Affected** (one-time transition costs)

Costs	Number of Issuers	Per Issuer		Industry-Wide	
		Increased Hours	Costs Per Hour	Total Increased Hours	Total Costs
<b>Total Estimated Costs</b>	338	36 - 71	\$100 - \$250	10,024 - 22,568	<b>\$1,183,000 - \$2,618,000</b>

**Summary of Estimated Cost and Benefits Per Issuer** (annual benefits and one-time costs)

Summary of Costs and Benefits	Per Issuer	Industry Wide (338 Issuers)
<b>Total Cost Savings</b>	<b>\$2,973 to \$5,048</b>	<b>\$1,004,954 to \$1,706,062</b>
<b>Total Costs</b>	<b>\$3,500 to \$7,746</b>	<b>\$1,183,000 to \$2,618,000</b>
<b>Net Costs</b>	<b>\$527 to \$2,698</b>	<b>\$178,000 to \$912,000</b>

**9. Rule-Making Authority**

In Ontario, the following provisions of the Act provide the Commission with authority to make the Modernized Disclosure Requirements and consequential amendments:

- Paragraph 143(1)22 of the Act, which authorizes the OSC to make rules prescribing requirements in respect of the preparation and dissemination and other use, by reporting issuers, of documents providing for continuous disclosure that are in addition to the requirements under the Act.
- Paragraph 143(1)24 of the Act, which authorizes the OSC to make rules requiring issuers or others to comply, in whole or in part, with Part XVIII (Continuous Disclosure), or rules made under paragraph 22.

Paragraph 143(1)39 of the Act authorizes the OSC to make rules requiring or respecting the media, format, preparation, form, content, execution, certification, dissemination and other use, filing and review of all documents required under or governed by the Act, the regulations or the rules and all documents determined by the regulations or the rules to be ancillary to the documents.

#### **10. Alternatives Considered**

An alternative we considered was not implementing any amendments to the Instrument and Form or changes to the Companion Policy and maintaining the status quo.

We determined that the Modernized Disclosure Requirements was the preferred course as the key objective was to enhance and modernize the Instrument and Form to address feedback received from the Consultation Paper, data gathered by CSA staff reviews and modernize the Instrument and Form to reflect alignment with international disclosure standards, changes in market practice, and evolving policy considerations. We anticipate the Modernized Disclosure Requirements will ensure that Technical Reports continue to provide consistent and comparable information to assist investors to make informed investment decisions ensuring that Canada continues to maintain its important role in mining capital formation and mineral project disclosure.

#### **11. Reliance on Unpublished Studies**

The Commission is not relying on any unpublished study, report, or other written material in proposing the Modernized Disclosure Requirements.