



...exploring for petroleum and minerals in Canada...
Searching new areas for large deposits...

December 10, 2012

British Columbia Securities Commission
Alberta Securities Commission
Saskatchewan Financial Services Commission
Manitoba Securities Commission
Ontario Securities Commission
Autorite des marches financiers
Nova Scotia Securities Commission
New Brunswick Securities Commission
Prince Edward Island Securities Office
Office of the Superintendent of Securities, Government of the Northwest Territories
Legal Registries Division, Department of Justice, Government of Nunavut

Dear Sir/Madame:

Re: Proposed National Instrument 51-103 – Comments

With regards to the CSA Notice of Republication and Request for Comment Regarding Proposed National Instrument 51-103 *Ongoing Governance and Disclosure Requirements for Venture Issuers*, and Proposed Amendments to National Instrument 41-101 *General Prospectus Requirements*, National Instrument 44-101 *Short Form Prospectus Distributions*, and National Instrument 45-106 *Prospectus and Registration Exemptions* and Proposed Related Consequential Amendments as published on September 13, 2012, as a TSX Venture Issuer, we have the following comments:

- We have concerns that by having an Annual Report and placing more disclosure into an Annual Report (by removing it from the Management Information Circular) there would be an increased cost for both printing and mailing this document. Currently, we are only required to mail the annual audited financial statements to all registered holders (unless they have submitted a financial statement request form pursuant to National Instrument 51-102 that they do not wish to receive audited financials) and to any beneficial holders that have submitted a financial statement request form pursuant to National Instrument 51-102 that they would like to receive audited financials. If the mailing of an Annual

Report is mandatory to be mailed to all shareholders, the printing and mailing costs of this document would be excessive for our company.

- Despite the change from the proposed six month financials back to quarterly financials, we are in support of six month financials, especially for junior exploration companies such as ours. We would propose that if there were six month financials, that there could be other means that an Issuer would be required to report any material financial changes, which of course would require a news release with more details about the material change.
- If an Annual Report does become mandatory, we are in support of the proposal that with the filing of an Annual Report, a company would be eligible to file a short form prospectus.

We are looking forward to seeing the latest comments and proposals in this regard.

Sincerely,



Dawn Bishop
CFO/Corporate Secretary
Vulcan Minerals Inc.