



INTERNATIONAL NORTHAIR MINES LTD.

A NORTHAIR GROUP COMPANY

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July 17, 2000

British Columbia Securities Commission
Alberta Securities Commission
Saskatchewan Securities Commission
The Manitoba Securities Commission
Ontario Securities Commission
Office of the Administrator, New Brunswick
Registrar of Securities, Prince Edward Island
Nova Scotia Securities Commission
Securities Division, Newfoundland and Labrador
Registrar of Securities, Northwest Territories
Registrar of Securities, Yukon Territory
Registrar of Securities, Nunavut
c/o John Stevenson, Secretary
Ontario Securities Commission
20 Queen Street West
Suite 800, Box 55
Toronto, Ontario M5H 3S8

Dear Sirs:

**Re: Proposed National Instrument 55-102 System for Electronic Data on
Insiders (SEDI)**

As requested, we are responding to the CSA's request for comments on SEDI.

There must be a time frame imposed on CDS to deal with the paper format of Form 55-102F4 received from a SEDI filer or filing agent. There will be times when an insider will have to file a Form 55-102F2 concurrently with a Form 55-102F4. Consequently, CDS must be able to process the paper format of the registration form immediately upon receipt by fax or courier.

We also note that Form 55-102F4 pertains only to individuals. There will be corporate SEDI users. For example, International Northair Mines Ltd. will be filing as an insider, an agent and as an issuer representative. We suggest that Form 55-102F4 be amended to accommodate a corporation.

The proposed implementation date of December 4, 2000 seems ambitious. We expect that the CSA will notify each insider of every SEDI issuer by registered mail of the changes in insider reporting requirements imposed on them. Simply publishing a

notice or issuing a news release will not be sufficient dissemination, particularly for those insiders who reside outside of Canada.

Before implementing SEDI, the CSA must allow insiders sufficient time to attend to various matters, such as:

- To purchase or upgrade their computer system, as required;
- Arrange for an internet service provider, if required;
- Become computer literate, or obtain the services of a third party who will be able to provide the filing services they'll require;
- Attend to reorganizing their current record keeping system to enable them to make reports on an ongoing basis as opposed to a monthly basis.

The number of SEDI users will be enormous. An implementation date, if any, must be only when CSA can guarantee that CDS and its website will be able to handle the huge volume of traffic.

Also, given the impact of SEDI, it will be incumbent on the CSA to provide free training sessions (presumably worldwide) for those SEDI users who will require training, well in advance of an implementation date.

We note that there is no reference to a technical support/helpdesk for SEDI. Will such a service be provided?

The proposed annual service charges are outrageous! We remind the CSA that CDS has recently realized a windfall profit with the advent of the Canadian Venture Exchange. Single jurisdiction issuers became multi-jurisdiction issuers overnight and their annual continuous disclosure fees payable to CDS instantly increased by 54%. Accordingly, it is unacceptable that the CSA mandate any further funds to CDS.

We suspect that, in the right entrepreneurial hands, the advertising income from the SEDI website could be very lucrative to the CSA. If the website was a commercial enterprise, there would be no need for any charges to be applied to the SEDI issuers.

In summary, SEDI is based on the assumptions that all insiders own or have free use of a computer using a web browser such as Explorer or Netscape and further that all insiders are computer literate or can afford to pay for SEDI filings and that they cannot wait to file their insider reports at 2:00 a.m. on a Sunday morning.

In our opinion, not all these assumptions are true and none of the benefits of SEDI suggested by the CSA are worth any additional cost to issuers or their insiders.

Thank you for your attention.

Yours truly,

INTERNATIONAL NORTHAIR MINES LTD.

Per:

"Gail Sharp"

Gail Sharp, Corporate Secretary