



NAPEG

*Northwest Territories and Nunavut
Association of Professional Engineers and Geoscientists*

July 9, 2010

British Columbia Securities Commission
Alberta Securities Commission
Saskatchewan Financial Services Commission
Manitoba Securities Commission
Ontario Securities Commission
Autorité des marchés financiers
New Brunswick Securities Commission
Superintendent of Securities, Prince Edward Island
Nova Scotia Securities Commission
Securities Commission of Newfoundland and Labrador
Superintendent of Securities, Yukon Territory
Superintendent of Securities, Northwest Territories
Superintendent of Securities, Nunavut

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c/o

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By: Email and Regular Mail

Dear Ms. Thomson and Ms. Beaudoin:

We are pleased to comment on the **Canadian Securities Administrators (CSA) Notice and Request for Comment on the Proposed *Repeal and Replacement* of National Instrument 43-101 Standards of Disclosure for Mineral Projects, Form 34-101F Technical Report and Companion Policy 43-101CP**

The Northwest Territories (and Nunavut) Association of Professional Engineers and Geoscientists (NAPEG) is the self-regulatory body governed by the *Engineering and Geoscience Professions Act* of the Northwest Territories and the *Engineers and Geoscientists Act* of Nunavut to serve and protect the interests of the public. We are one of ten members who form the national umbrella organization, Geoscientists Canada (Canadian Council of Professional Geoscientists).

NAPEG fully supports the position of Geoscientists Canada and their comments pertaining to the proposed changes to the definition of the “qualified person” (QP) in National Instrument 43-101. We also fully support their “General Comments” and “Recommendations” and provide a couple of additional comments on our own for the improvements on the CSA proposal.

General Comment

NAPEG refers to the Canadian Council of Professional Geoscientists (CCPG) letter of April 2009, at which time CCPG (Geoscientists Canada) submitted a letter to the CSA, recommending that in order to provide full recourse in law in Canada, the use of *Recognized Foreign Associations and Qualifications* should be discontinued and that all QPs acting for a Canadian issuer should be registered with a professional association in a Canadian jurisdiction. The CCPG letter articulated several problems inherent in allowing professionals registered outside Canada to continue to act as QPs for Canadian issuers.

While the proposed revisions to NI 43-101 do not make the fundamental change to the definition of the QP that CCPG recommended, we recognize that a number of the changes now being contemplated do go part way to addressing the risks and concerns to the investing public that were raised in the earlier correspondence.

We also recognize the considerable complexity of having those QPs who practice and reside outside of Canada, and report on a mineral project on a property located outside of Canada, become registered with a jurisdiction in Canada.

We acknowledge the new language in the Companion Policy 43-101CP which expands and provides interpretation to the definitions of “professional association” and “qualified person” and we note that it explains that NI 43-101 does not supersede or alter local requirements for a QP to be licensed in Canada, when practicing in a jurisdiction in Canada or working on a mineral project on a property that is in a jurisdiction in Canada. However, as this is a fundamental matter that is not subject to interpretation or policy, is not subject to change, and is the law, the pertinent language here should be in the Instrument itself and should not be an item of secondary reference in the Companion Policy only.

Specific Recommendations

We agree with the position of Geoscientists Canada and thus submit the following specific recommendations to improve the CSA proposal:

Definition of “Qualified Person”

In Section 1.1 of NI 43-101 Definitions – “qualified person”, we propose that a new sub-section (d) be added after section (c) in the revised definition to read as follows:

(d) “if practicing or residing in Canada, is registered and in good standing with the professional association in the jurisdiction in which the qualified person is practicing or residing; and if the mineral project is on a property located in Canada, is registered and in good standing with the professional association in the jurisdiction in Canada in which the property is located”

Also in Section 1.1 of NI 43-101 Definitions – “qualified person”, we proposed, for greater clarity that the words “registered and” be placed after the word “is” and before the words “in good standing” in section (c).

Incorporating these changes will of course also require associated changes to Companion Policy 43-101CP.

With these changes, it will be clear that provincial/territorial law requires that to act as a QP for a Canadian issuer, where the QP practices or resides in a jurisdiction in Canada or where the mineral project is on a property located in Canada, the QP must be registered with the professional association(s) in the relevant jurisdiction(s) in Canada. This is paramount in the eyes of NAPEG.

This way the Canadian investing public will have assurance that those QPs practicing and residing in Canada or reporting on a mineral project on a property in Canada are compliant with licensing requirements in Canada and can be served for legal purposes in Canada (by either securities commission or the professional association – either in the province or territory in which the property is located). The public will also have the assurance that all QPs operating in Canadian jurisdictions will be subject to powers of compliance, discipline and sanction (as may be appropriate including fines and/or loss of licensure), as provided for under statute in Canada.

We believe these minor changes in the proposed revisions to NI 43-101 provide a simple workable solution that maximizes protection of the public and at the same time directly aligns the Instrument with supporting legislation in Canada.

NAPEG would be pleased to respond to questions you have or you may direct your questions to the Chair of the Geoscientists Canada Securities Committee – Garth Kirkham at (778) 836-1070 or the CEO of Geoscientists Canada, Oliver Bonham at (604) 412-4888.

Sincerely,



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President

c. James Moors, P.Geo.
President, Geoscientists Canada