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British Columbia Securities Commission
Alberta Securities Commission
Saskatchewan Financial Services Commission – Securities Division
Manitoba Securities Commission
Ontario Securities Commission
Autorité des marchés financiers
New Brunswick Securities Commission
Registrar of Securities, Prince Edward Island
Nova Scotia Securities Commission
Securities Commission of Newfoundland and Labrador
Superintendent of Securities, Northwest Territories
Superintendent of Securities, Nunavut
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Dear Sirs and Mesdames:

Re: CSA Notice and Request for Comments on the Proposed Repeal and Replacement of National Instrument 43-101 *Standards of Disclosure for*

***Mineral Projects*, Form 43-101F1 *Technical Report*, and Companion Policy 43-101CP (collectively, the "Proposed Instrument")**

We are pleased to submit our response to the request for comments on the Canadian Securities Administrators ("CSA") Proposed Instrument regarding mineral project disclosure and technical reports.

TD Asset Management Inc. ("TDAM") is a wholly owned subsidiary of The Toronto-Dominion Bank and is one of Canada's largest asset managers. As of June 30, 2010, TDAM and its affiliates managed approximately $171.8 billion for mutual funds, pooled funds and segregated accounts and provided investment advisory services to individual customers, pension funds, corporations, endowments, foundations and high net worth individuals. TDAM managed approximately $55.2 billion in retail mutual fund assets on behalf of more than 1.4 million investors at that date.

Our response is separated into three parts. In the first part, we respond to the specific questions raised by the CSA in its request for comments. In the second part, we raise our general concerns with respect to certain sections of the Proposed Instrument. The final section summarizes our conclusion.

We are responding in our capacity as an investment adviser.

SPECIFIC COMMENTS

Question 1: Do you rely on technical reports when making, or advising on, investment decisions in a short form prospectus offering? If yes, please explain how the content of a technical report, or the certification of a technical report by a qualified person, could influence your decisions or your recommendations.

Yes, we do use and rely on technical reports. In the context of short form prospectus ("SFP") offerings, the integrity and completeness of a continuous disclosure record is of paramount importance, of which the technical report is a key component. Information contained in these reports would represent the most up to date assessment of a property in question that is prepared by a qualified person ("QP") responsible for the content therein. It is integral to the investment decision process and is a key consideration used to assess a project and company value. If there is no technical report, we believe that investors would generally not invest unless and until they receive it.

Question 2: Do you think we should keep, or eliminate, the short form prospectus trigger? Please explain your reasoning.

Yes, the SFP trigger should be kept, but only in circumstances where it would add value. Absent a material change, we fail to see what benefit the filing of a new technical report would provide.

Our reasons are explained in our response to Question 3 below.

	Case 1 New information **is not** a material change in the affairs of the issuer	**Case 2** New information **is** a material change in the affairs of the issuer **but not** first disclosure of, or a material change to, mineral resources, mineral reserves, or a preliminary assessment	**Case 3** New information **is** a material change in the affairs of the issuer **and also** first disclosure of, or a material change to, mineral resources, mineral reserves, or a preliminary assessment
Short form trigger	New technical report required	New technical report required	New technical report required
Delete short form trigger	No new technical report required	No new technical report required	No new technical report required with short form prospectus, but will be required under para. 4.2(1)(j) and filed after the offering is completed.

Question 3: Please discuss how your answers to question 1 and 2 might change in each of the three cases described in the table [above].

Case 1

We would recommend that the trigger be removed under this case. If the intent is to remove the trigger where it is not needed, this would be a prime example. The absence of a material change would, in our view, remove the need for a new technical report.

Case 2

We would recommend the trigger be removed under this case as well. It would be difficult to see the need for a new technical report where the new information was a material change but not first disclosure of, or a material change to, mineral resources, mineral reserves or a preliminary assessment. We expect that this circumstance would rarely arise.

Further, a new technical report should not be required as it would normally assess or deal with matters related to mineral reserves, mineral resources or a preliminary assessment that have already been previously disclosed or would generally not be considered a

material change to the issuer. Therefore, a new technical report would not provide much incremental value.

Case 3

Under this scenario, we would only see the need for a new technical report if there is a material change in the affairs of the company and also first disclosure of, or a material change to, mineral reserves, mineral resources or a preliminary assessment – all of which we believe are key matters in deciding the economic viability and determining the potential value of a project and company. The granting of up to a 6 month extension for the filing of a new technical report under paragraph 4.2(1)(j) should not allow issuers to take advantage of this informational and timing gap to the detriment of investors. As such, we are concerned with the mismatch in time frames between the offering and the filing of the new technical report.

With respect to the 6 month extension for the filing of a new technical report, we believe that investors may be at an informational disadvantage until the new technical report is filed. Our main concern with this case is that if you provide an extension, it could take away the value of having a new technical report when making an investment decision. We believe that the technical report would generally contain material information that investors would have benefitted from, if known prior to or in conjunction with the making of the investment decision.

Under this case, we suggest that the CSA consider invoking the concept of an escrow type arrangement. If an issuer is permitted to quickly access the financial markets in order to raise money when market conditions are right, putting off the issuance of a technical report for up to 6 months is of tremendous benefit. Invoking an escrow type arrangement would still allow the issuer to "hit the investment window" and raise money when it is most optimal. Therefore, the CSA should consider the use of an escrow arrangement in order to ensure that investors are investing with the benefit of the most current information in equity issues covered by the current SFP.

In an escrow agreement setting, we are of the view that it would be prudent to require the placement of the net proceeds of the offering with a third party, until a small period of time has elapsed after the new technical report has been filed and the issuer has issued its press release. This would allow for the dissemination and digestion of the main elements of the new technical report, and the issuer would not miss the investment window. At the same time, they would be incented to minimize the extra time required to file the new technical report, by making the granting of access to the funds to the issuer conditional upon the filing of the new technical report. We believe that investors should be afforded legal protection in the event of a misrepresentation related to the new technical report.

Question 4: If we decide to eliminate the short form prospectus trigger, is the proposed guidance in subsection 4.2(13) of the Amended Companion Policy useful? Do you have any suggestions regarding this guidance?

Yes, the guidance in subsection 4.2(13) of the Amended Companion Policy is useful. We believe that for full, true and plain disclosure, it would be prudent to require the clear identification of new information not supported by a prior technical report. In order to draw investors' attention to the new information, it should be highlighted in plain sight and be written in plain language.

The guidance recognizes an obligation on an issuer to file an adverse material change report in the event that there is a discrepancy between the information provided in the preliminary SFP and the technical report before the issuer files its final prospectus. The focus should remain on the symmetry between the SFP and the technical report, and to require issuers to file an amended preliminary SFP to correct the discrepancy.

Question 5: Is the proposed new exemption related to an acquired property helpful? Is it reasonable to expect that issuers will use the new exemption in light of the attached conditions?

Yes, the new exemption related to an acquired property should prove to be helpful and it is reasonable to believe that issuers will use it. Without an escrow type provision, it is possible that the new exemption could be used to disadvantage investors, as described above in our response to Question 3.

Question 6: Do market participants use this exemption? Should we keep it in the Amended Instrument?

Yes, we believe that market participants use this exemption and it should be retained in the Amended Instrument.

From an investors perspective, this exemption is reasonable since it only applies to early stage exploration companies, it is limited to specific circumstances generally of logistical difficulty and the time frame for completion of the site visit must be disclosed. As long as there is no reliance on material amounts of drilling information from a property until the QP visits it, and appropriate disclosure is made, our concern would be minimized.

GENERAL COMMENTS

Amended Instrument

Part 1

We believe it is practical to widen the scope of "acceptable foreign code", "professional association" and "qualified person", and to move to objective tests, which would render the rules more "steady state". These steps would serve to recognize the realities of how the mining business currently operates.

Part 2

We are of the view that requiring disclosure of the impact of a preliminary economic assessment, completed after a pre-feasibility or feasibility study, would be of value. It would require disclosure for consideration of relevant and material economic variables early in the process, in order to allow for their inclusion and robust consideration in the course of making investment decisions.

Part 4

Expanding the technical report trigger to include initial written disclosure of mineral reserves, mineral resources or preliminary economic assessments would be advisable. We believe it is material disclosure which should be substantiated. Disclosure of the filing of a technical report is appropriate to alert the market of the filing. Our responses to the specific questions above provide further clarity on our views.

We believe that allowing issuers to rely on a prior technical report filed by another issuer to support a new exemption from filing a new technical report for 6 months is practical in theory, but may go too far if not limited in various respects. For example, purchasing a property with an existing technical report filed by another issuer could raise the question of whether any additional minimum standards are needed to ensure the prior report is reasonably current before it can be relied upon. It is not always in the selling party's interest to update a technical report as any new information may not be accretive to and may even detract from sale value.

Part 5

This part highlights the independence requirements and broadens the exemption for a producing issuer with shares traded on a specified exchange from having to file a technical report only as a result of becoming a reporting issuer in Canada. We believe this makes sense as there is oversight and standards imposed in the jurisdiction of the other exchange, which could be acceptable from a competence point of view by the domestic jurisdiction.

Part 9

We support releasing royalty holders from the requirement to file a technical report under certain conditions. Royalty holders are generally passive entities and disclosure would be provided via the operator's disclosure under the Amended Instrument in certain specified conditions.

Amended Form

While we understand the rationale for the amended *Reliance on Other Experts*, one must be careful to ensure that this does not result in instances where there is nobody ultimately responsible for the information provided.

Requiring summaries under Instruction 5 to include by reference and summarize or quote information from a prior technical report is efficient. Under *Data Verification*, we believe it would be prudent to impose an obligation on the new QP to make a comment on the adequacy of the data. We believe that the CSA should consider requiring the new QP to list additional steps they would have wanted to take had they prepared the prior report.

Consequential Amendments

The Proposed Instrument covers situations where a QP, who signed a previously filed technical report, leaves the engineering or geo-scientific firm, and an issuer who wants to rely on it after the QP's departure would want to seek expert consent from that firm. We believe that this would appear to be a workable and a sensible response to work that was "firm work" when completed. It recognizes the reality of the mobility of technical workers and deals practically with it.

We note that it is up to the consulting firm that employed the prior QP to consent. Therefore, the firm may have to satisfy themselves that the technical report is current and, for all practical purposes, they may want additional work done before consenting to its subsequent use. We recognize that there may be situations where the QP leaves or is dismissed from the firm and the firm may be unwilling to consent at all or without performing additional due diligence.

We respect to the proposed MD&A Amendment, forcing an issuer to disclose whether a significant milestone is based on a technical report filed under the Amended Instrument is intuitive. Investors rely on the technical report and would be interested to know what weight the company is putting on it, coupled with disclosure of all material milestones and anticipated timeframes.

CONCLUSION

We commend the CSA for actively seeking input from market participants on the Proposed Instrument. We recognize the importance of crafting rules that reflect the realities of the mining industry. The underlying premise and overriding purpose remains to inject flexibility in terms of requirements, recognition of foreign bodies and access to capital by mining companies. That increased flexibility should be balanced against the need to keep disclosure timely, reliable and useful in the investment process.

TDAM is grateful to have had the opportunity to comment on the Proposed Instrument. We generally support many of the CSA's proposed modifications in the Proposed Instrument as they are aimed at improving disclosure. However, we believe that certain aspects of the Proposed Instrument may require further consideration or refinement as discussed in our responses and comments described above. Particularly, we suggest that the CSA consider an escrow type arrangement in situations where a 6 month extension would apply.

Should you have any questions, we would be pleased to provide further explanation with respect to matters described above at your convenience.

Yours truly,

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