

Stephen W. Semeniuk, CFA

Capital Research & Consulting

July 22, 2010

Sheryl Thompson
Senior Legal Counsel, Corporate Finance
British Columbia Securities Commission
PO Box 10142 Pacific Centre
701 West Georgia Street
Vancouver, BC V7Y 1L2

Dear Ms Thomson

I am a past president of the Vancouver Society of Financial Analysts (now CFA Vancouver) and a former director of the Canadian Council of Financial Analysts. I served as a research and financial analyst for the Matkin Commission. My business background includes operations analysis experience in the automotive and chemical industries and corporate planning positions with Power Corporation of Canada and the British Columbia Resources Investment Corporation. After becoming a CFA charter holder, I worked for several investment dealers and was vice president, research with a leading underwriter of junior resources companies in Western Canada at that time.

Now for some years, as an independent financial consultant, I have been providing securities and business valuation services, fairness opinions, financial research and related consulting services to a wide variety of Canadian and international clients such as mining and exploration companies, resources and industrial companies operating in other sectors, financial institutions, law firms, federal and provincial government bodies and investment dealers.

My comments on the proposed repeal and replacement of NI 43-101 are quite simple and I have made similar comments to the Mining Standards Task Force and to CIMVal in reference to Qualified Persons and Valuators.

Qualified Persons should not be directors or insiders of other mining companies

I believe that individuals, including engineers and geoscientists, when acting as QP's ('Qualified Persons') as defined under Canadian regulations, should also be seen to function as shareholder advocates and be obligated to maintain their independence. To serve investors' and clients' interests, QP's should not be insiders, directors or promoters of other mining companies. I believe that independence is lost when the QP or valuator of a mineral property is also a director, insider or promoter of other mining companies. In addition to the loss of perspective there is the question of whether QP's or valutors can keep abreast of changes and developments in the scope of practises of their respective professional organizations and fields of study, if they are also engaged in operating other businesses.

I appreciate this opportunity to comment on the proposed repeal and replacement of NI 43-101.

Yours truly,

Stephen W. Semeniuk