

Friday, October 14, 2011

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

Attention:

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Regarding Proposed Amendments to National Instrument 41-101

We are responding to your request for comment on the proposed changes to NI 41-101, in particular, in relation to the proposal for non-issuer submission to the jurisdiction and appointment of agent for service with regard to foreign experts who have consented to the disclosure of information in a prospectus. We disagree with this proposed amendment.

As a company that provides services to a number of issuers that have properties outside of Canada, we commonly work with foreign-based qualified persons ("QPs"). We utilize these engineers and geoscientists because of their local expertise, understanding of local conditions and costs, and their ability to access off-shore properties for required site visits, etc. more easily and at less cost. Many of the QPs are employed by consulting companies. These companies range in size from a few to many employees, but many do not have offices in Canada or even North America.

These experts are subject to the statutory liability regime for misrepresentations in a prospectus related to information from their technical report, opinion or statement. Therefore we do not believe that this additional requirement is necessary.

You have also asked if we believe that this change would impose a significant practical or financial burden on the experts. We expect that it would, especially if the consulting firm does not currently have a Canadian office. It seems unreasonable for a consultant to have to submit to a jurisdiction in order to write a report for a company that is based in British

Columbia, for example, if the property is not located there. We can foresee additional costs for setting up the agent, as well as potential for that company to be taxed for the work done for a BC-company in BC even though the work would not be done there. It would be reasonable to assume that these additional costs would be passed on to the issuer.

In the bigger picture context, there are already a number foreign experts and consulting companies that are unwilling to write the technical reports required under 43-101. We are concerned that this proposed amendment would increase the concerns of foreign experts and consulting firms and make it even less likely to find firms that will assist in this work, which would have a negative effect on issuers.

Yours truly,

Trevor Thomas, Legal Counsel Hunter Dickinson Inc.