



*Greg Finn, P.Geo.
President
Président*

*Tim Corkery,
P.Geo.
President-Elect
Président élu*

*James Moors,
P.Geo.
Past-President
Présidente
sortante*

*Paul Rennick,
P.Geo.
Treasurer
Trésorier*

*Oliver Bonham,
P.Geo.
Chief Executive
Officer
Chef de la
direction*

October 13, 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

Alex Poole
Senior Legal Counsel, Corporate Finance
Alberta Securities Commission
Suite 600, 250-5th Street SW
Calgary, Alberta T2P 0R4

Sent by Email: alex.poole@asc.ca

Re; National Instrument 41-101 General Prospectus Requirements and Companion Policy 41-101CP to National Instrument 41-101 General Prospectus Requirements

Dear Madams/Sirs;

The Canadian Securities Administrators (“CSA”) published, on July 15, 2011, proposed amendments to NI 41 101, “General Prospectus Requirements and Companion Policy 41 101CP to NI 41 101”, together with other miscellaneous amendments to related instruments.

Please consider this letter as the comment/response from Geoscientists Canada with respect to the issue of having QPs/experts to submit to jurisdiction as suggested in the proposed amendments to NI 41-101.

At present, only the issuer, directors and officers who sign a prospectus on behalf of the issuer, the underwriters and some individuals named in part 5 of NI 41-101, must file a submission to a jurisdiction.

T: 604.412.4888
F: 604.430.8085
info@ccpg.ca

Suite-200
4010 Regent Street
et
Burnaby, BC
CANADA



*Greg Finn, P.Geo.
President
Président*

*Tim Corkery,
P.Geo.
President-Elect
Président élu*

*James Moors,
P.Geo.
Past-President
Présidente
sortante*

*Paul Rennick,
P.Geo.
Treasurer
Trésorier*

*Oliver Bonham,
P.Geo.
Chief Executive
Officer
Chef de la
direction*

This amendment would further extend the requirement to file a non issuer “submission to the jurisdiction, and appointment of an agent for service” form to all foreign experts including qualified persons. It should be noted that these persons are already liable under the CSA statutory liability regime for misrepresentations in the prospectus that are derived from the report, opinion or statement. The question that is posed by CSA is whether or not it would be appropriate to extend the requirement to file a non issuer “submission to the jurisdiction and appointment of agent for service” form to foreign experts who have consented to the disclosure in a prospectus of information. The question has also been asked whether or not this would pose any significant practical or financial burden on these experts or issuers. There is an added cost to the foreign practitioner/QP to appoint an agent for service in Canada along with the additional paper work, and added liability that would be extremely onerous for the foreign QP.

There is already existing liability under the legislative framework and to propose consent to submission to jurisdiction provision would appear to be unnecessary. However, a possible advantage to this proposal is that it will perhaps expedite dealing with matters where a problem has arisen. The submission to a jurisdiction by a QP may have some appeal because it would mean that a plaintiff wishing to sue a QP would not have to sue the QP in a foreign jurisdiction, but could sue in Canada. However, this situation, where a QP has been sued, is rare, and for that reason alone, this proposal may be difficult to justify.

There are problems that have arisen as a result of the current CSA prospectus requirements in that some well respected and obviously qualified consulting firms will not prepare reports under NI 43-101 because of the liability concerns. To impose these further proposed conditions on foreign QPs who would otherwise be considered competent to prepare reports, particularly on foreign properties, would be counterproductive and not increase the protection of the public. In fact, this may well lead to situations where foreign professional associations, would impose conditions on Canadian geologists and engineers operating in their countries. That would be extremely detrimental not only to the Canadian mining industry but to all Canadian consultants operating in foreign countries.

The proposed amendment would appear to have little, if any, effect on Canadian registered QPs however, a possible effect may be a potential push-back from foreign associations, and it does not appear to add much in the way of additional protection for the Canadian public.

T: 604.412.4888
F: 604.430.8085
info@ccpg.ca

Suite-200
4010 Regent Street
et
Burnaby, BC
CANADA



*Greg Finn, P. Geo.
President
Président*

*Tim Corkery,
P. Geo.
President-Elect
Président élu*

*James Moors,
P. Geo.
Past-President
Présidente
sortante*

*Paul Rennick,
P. Geo.
Treasurer
Trésorier*

*Oliver Bonham,
P. Geo.
Chief Executive
Officer
Chef de la
direction*

A proposal of this nature would likely close the door to many foreign competent and respected QPs and open the door to other QPs who may not share those same qualities and values. This could lead to the reduction in the effectiveness and efficiency of the original intentions of NI 43 101. It would be ever more difficult to obtain the services of QPs to prepare reports. The net result would be that there would be even fewer QPs prepared to get involved in the preparation of technical reports. From a practical perspective, there appears to be nothing to be gained to such a proposal and much to be lost.

In closing, Geoscientists Canada recommends that this proposed amendment not be implemented.

Yours respectfully submitted,

Greg Finn, P. Geo.
President-Geoscientists Canada

T: 604.412.4888
F: 604.430.8085
info@ccpg.ca

Suite-200
4010 Regent Street
et
Burnaby, BC
CANADA