

NI 43-101 Standards of Disclosure for Mineral Projects

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The views expressed in this presentation are our own, and they do not bind the BCSC, OSC, or their staff.

Information has been summarized and paraphrased for presentation purposes. Please refer to the original documents for clarification.



Agenda

8:30 – 8:40 Introduction

8:40 – Session 1

10:10 – 10:30 Questions

10:30 – 10:45 Coffee break

10:45 – Session 2

11:40 – 12:00 Questions

12:00 – 1:00 Lunch

1:00 – Session 3

2:40 – 3:00 Questions

3:00 – 3:15 Coffee break

3:15 – Session 4

4:30 – Finish



Sections in this Presentation

Session 1

- Overview
- Fundamentals of NI 43-101
- Previously filed documents
- Technical reports

Session 2

- Consents
- Civil liability

Session 3

- Good disclosure practices
- Historical Estimates

Session 4

- Failure of due diligence

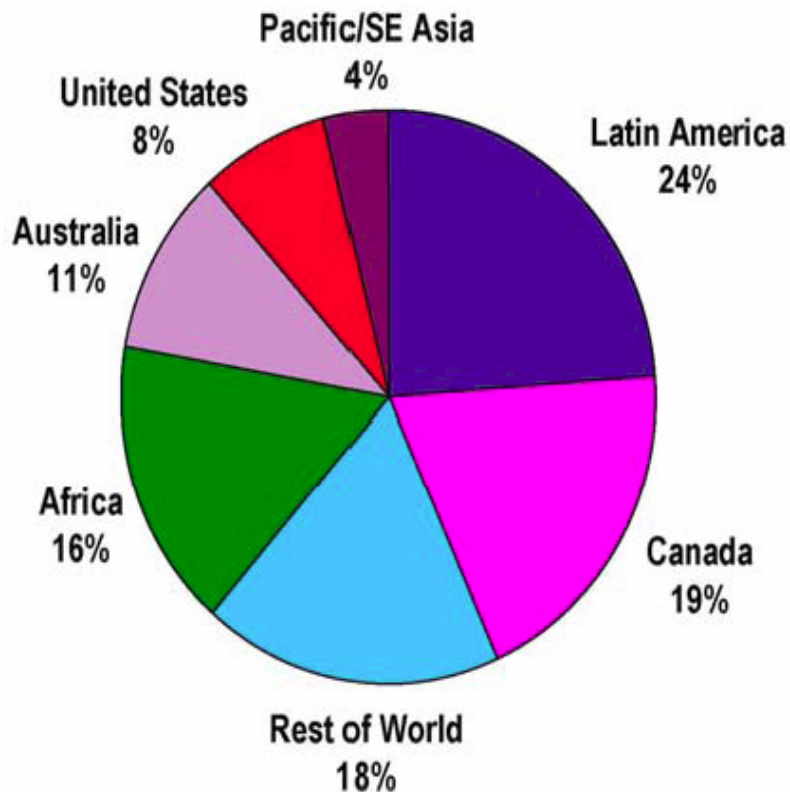


Number of Listed Mining Companies

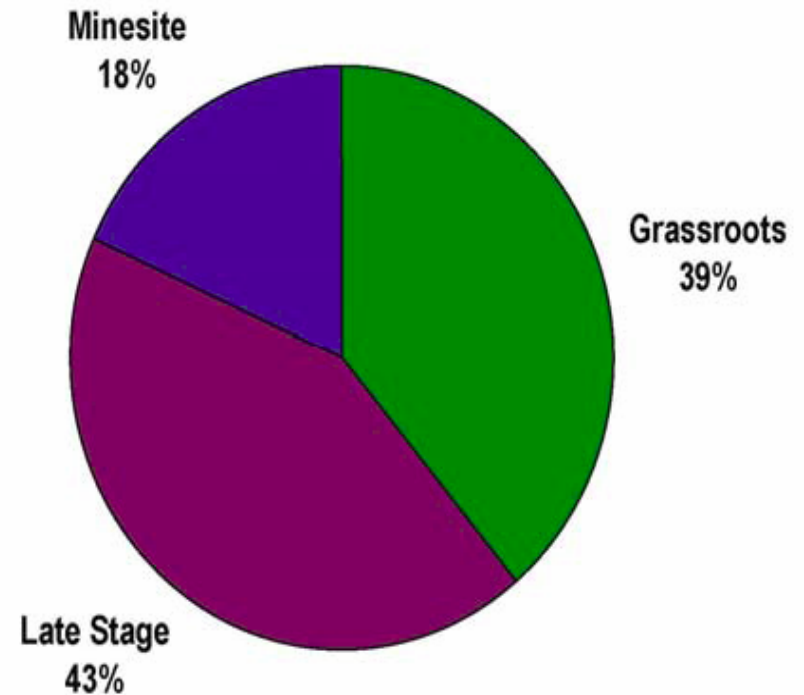
CANADA		Rest of		WORLD			
		UK		USA		ASX	JSE
TSX	270	LSE	34	NYSE	33	484	35
TSX Venture	964	AIM	149	AMEX	55		
CNQ	35		183		88	484	35
Canada	1269	Rest of World		790			
Canada Total:		61%					

Metals Economics Group

Worldwide Exploration Budgets* by Region 2006



Worldwide Exploration Budgets* by Stage 2006



* 1,624 companies' budgets totaling \$7.13 billion.

© Metals Economics Group, 2006

2006 Worldwide Exploration Budgets

- US\$7.1 billion
- 45% increase over 2005
- Highest year on year increase
- Late stage exploration budgets (includes feasibility work) exceeds grassroots exploration
- Companies push to bring projects to a production decision

Not Just Bre-X

Examples of other mining scandals

- **Naxos (May 1996)** – proprietary assay techniques
- **Cartaway (May 1996)** – visual estimates
- **Timbuktu (June 1996)** – salting
- **Delgratia (March 1997)** – salting/proprietary assay techniques.
- **Golden Rule/Hixon Gold (May 1997)** – salting

Technical Disclosure on Mineral Projects

- This is why we need rules and regulations for mining disclosure.
- But are rules enough to prevent another Bre-X?
- Booming mining markets attract people who don't always play by the rules.
- Vigilance and due diligences are even more important now.



Regulator's Dilemma

- How to get tough on the bad actors without ruining the party for the majority
- When education and facilitation alone don't work, we are force to consider other measures
- Potential changes for the near future:
 - Less tolerance of poor quality filings
 - Fast-tracking filings of compliant companies
 - Increased scrutiny and monitoring of repeat offenders
 - Increased use of CTO's for not filing technical reports or for filing materially deficient reports
 - Increased enforcement action against repeat offenders

