

2002 BCSECCOM 317

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - Relief granted from the requirement in National Instrument 43-101 to have a qualified person inspect the property that is the subject of a technical report - report being co-authored by person that would be a qualified person but for not being a member of a professional association - co-author has conducted numerous site visits

Applicable British Columbia Provisions

National Instrument 43-101 *Standards of Disclosure for Mineral Projects*, ss. 6.2 and 9.1

IN THE MATTER OF THE SECURITIES LEGISLATION OF BRITISH COLUMBIA, ALBERTA AND ONTARIO

AND

IN THE MATTER OF THE MUTUAL RELIANCE REVIEW SYSTEM FOR EXEMPTIVE RELIEF APPLICATIONS

AND

IN THE MATTER OF SOUTHWESTERN RESOURCES CORP.

MRRS DECISION DOCUMENT

- ¶ 1 WHEREAS the local securities regulatory authority or regulatory (the “Decision Maker”) in each of British Columbia, Alberta and Ontario (the “Jurisdictions”) has received an application from Southwestern Resources Corp. (“Southwestern”) for a decision under the securities legislation of the Jurisdictions (the “Legislation”) that the requirement contained in the Legislation that at least one qualified person preparing or supervising the preparation of a technical report inspect the property that is the subject of the technical report (the “Personal Inspection Requirement”) will not apply to Southwestern in respect of a technical report to be prepared in connection with Southwestern’s annual information form;
- ¶ 2 AND WHEREAS under the Mutual Reliance Review System for Exemptive Relief Applications (the “System”) the British Columbia Securities Commission is the principal regulator for this application;
- ¶ 3 AND WHEREAS Southwestern has represented to the Decision Makers that:

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1. Southwestern is incorporated under the laws of British Columbia, carries on a mineral exploration business and has its head office located in Vancouver, British Columbia;
 2. Southwestern is a reporting issuer in each of the Jurisdictions and is not in default of any requirement of the Legislation;
 3. Southwestern's common shares are listed on The Toronto Stock Exchange;
 4. Southwestern is in a joint venture with Inco Limited on the Bambas West Project located in Peru and operated by Southwestern, with 50% of the Bambas West Project being owned by Southwestern and the remaining 50% owned by Inco Limited; the Bambas West Project is a grass roots or green fields project and has no currently known mineral resources or reserves;
 5. Southwestern is currently preparing an annual information form for the year ended December 31, 2001 (the "AIF") in which it will disclose information regarding the Bambas West Project; Southwestern is also preparing a technical report to be filed with the Decision Makers in support of the information concerning the Bambas West Project in the AIF (the "Report");
 6. Southwestern retained Richard Mazur, B.Sc., MBA, ("Mazur") a qualified person under National Instrument 43-101 *Standards of Disclosure for Mineral Projects* ("43-101"), and Javier Salas ("Salas"), who is not a qualified person under 43-101, to jointly prepare the Report;
 7. Salas has been Southwestern's Manager of Exploration for Peru since 1996, has been on site at the Bambas West Project many times, has been engaged in technical work on the Bambas West Project and is therefore familiar with all aspects of the Bambas West Project;
 8. but for the fact that Salas is not a member of a professional association, Salas would be a qualified person, as such terms are defined in 43-101;
 9. section 6.2 of 43-101 requires at least one qualified person preparing or supervising the preparation of the technical report to inspect the property that is the subject of the technical report; and
 10. Mazur has not completed a site visit of the Bambas West Project because Salas, who is co-authoring the Report, has completed numerous site visits;
- ¶ 4 AND WHEREAS under the System this MRRS Decision Document evidences the decision of each Decision Maker (collectively, the "Decision");

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- ¶ 5 AND WHEREAS each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decision Maker with the jurisdiction to make the Decision has been met;
- ¶ 6 THE DECISION of the Decision Makers under the Legislation is that the Personal Inspection Requirement will not apply to Southwestern in respect of the Report to be filed in connection with the AIF, provided that the Report and the AIF include a statement that a personal inspection has not been conducted by the qualified person, as defined in 43-101, and the reasons why a personal inspection was not conducted.
- ¶ 7 April 19, 2002

Brenda Leong
Director