

Brasília, September 5th , 2016.

Mr. Brent J. Fields
Secretary
Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549-1090
U.S.A.

Via e-mail (rule-comments@sec.gov)

Re: File Number Release Number 33-10098; File No. S7-10-16 (the “Release”)
Modernization of Property Disclosures for Mining Registrants

Dear Mr. Fields:

Please find attached comments from the Comissão Brasileira de Recursos e Reservas (“CBRR”) on the Securities and Exchange Commission’s (the “Commission”) Proposed Rules to revise the property disclosure requirements for mining registrants and related guidance currently set forth in Item 2 of Regulation S-K under the Securities Act of 1933, as amended (the “Securities Act”), the Securities Exchange Act of 1934, as amended (the “Exchange Act”) and Industry Guide 7 (“Guide 7”).

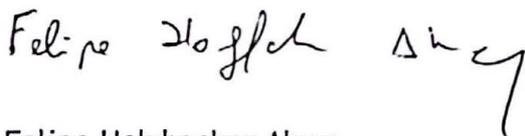
CBRR congratulates the Commission for its hard work on the Proposed Rules. We support the efforts to eliminate the existing Guide 7 disclosure guidelines, related precedent and informal guidance, replacing them with disclosure and technical standards that are consistent with the CRIRSCO template. The attached table summarizes our comments and the most relevant issues are highlighted below:

- CBRR recommends the inclusion of all category items displayed in Figure 1 from the CRIRSCO template, including the Exploration Target category, not considered in the Proposed Rules. CBRR does not support the In Situ Reserves category as a subdivision of Reserves.
- CBRR recommends the non-mandatory declaration of Exploration Results for companies that declare Resources and Reserves of producing mines only.

- CBRR recommends that the Qualified Person (“QP”) should define and validate commodity prices for price consideration in classifying Reserves.
- CBRR does not support the inclusion of detailed cash flows in public reports. This should not be mandatory, as this information is market sensitive.
- CBRR recommends that the QP should be independent, although not necessarily external, to the Company issuing the public report. The public reports should be prepared by a QP or a Qualified Team where complexity level requires a high degree of skill diversity. In addition, the QP should have disclaiming mechanism.
- CBRR recommends that the Recognized Professional Organizations (“RPOs”) listed in the CRIRSCO template should be accepted by SEC, or at least the RPOs listed by SME.

We appreciate this opportunity to provide comments and would be pleased to discuss them with the Commission or its staff. Please direct any questions regarding our comments to Felipe Holz hacker Alves, President, at [REDACTED].

Respectfully yours,



Felipe Holz hacker Alves
President, CBRR

Modernization of Property Disclosures for Mining Registrants

SECURITIES AND EXCHANGE COMMISSION - June, 2016

COMMENTS FROM THE BRAZILIAN COMMISSION FOR RESOURCES AND RESERVES (CBRR)



PROPOSED MINING DISCLOSURE RULES

CBRR Technical Committee Comments

A) Consolidation of the Mining Disclosure Requirements

1 The Commission's current mining disclosure regime consists of disclosure requirements located in Item 102 of Regulation S-K and disclosure policies located in Guide 7. Has this disclosure regime caused uncertainty for mining registrants? If so, would establishing a sole regulatory source for mining disclosure by rescinding Guide 7 and including the disclosure requirements for mining registrants in a new Regulation S-K subpart, as proposed, reduce this uncertainty?

A sole and comprehensive set of disclosure requirements denotes a significant improvement.

2 **Should we amend Item 102 of Regulation S-K by eliminating the instruction that refers mining registrants to the information called for in Guide 7 and instead instruct them to refer to, and if required, provide the disclosure under new Regulation S-K subpart 1300, as proposed?** Should we instead retain Guide 7 and Item 102 of Regulation S-K as separate sources for mining disclosures? If so, how should they apply to registrants?

Yes, more clarity is required than what is included in Guide 7. It is obsolete and requires updating to align with other Regulations.

B) The Standard for Mining-Related Disclosure

3 **Should the disclosure standard under the revised mining disclosure rules be whether a registrant's mining operations are material to its business or financial condition, as proposed?** Why or why not? If not, what standard should we adopt for determining whether a registrant must provide the mining disclosure under the revised rules? Why?

Yes, we agree that reporting and disclosure obligations of mining operations information should consider their materiality in relation to the registrant's business or financial condition.

4 **Are the quantitative and qualitative factors described in this section relevant to the determination of the materiality of a registrant's mining operations?** Why or why not? Are there other factors, such as those identified in Canada's Companion Policy 43-101CP to National Instrument 43-101, General Guidance, that a registrant should consider for the materiality determination instead of or in addition to the factors described in this section? Should we include these or other factors as part of the rule provision governing the materiality determination? If so, which factors should we include in the rule?

The quantitative and qualitative factors are relevant.
We also agree that can be convenient to aggregate mining operations to better achieve the adequate level of materiality.

5 Should we adopt the proposed presumption that a registrant's mining operations are material if they consist of 10% or more of its total assets? Would a percentage higher or lower than 10% be better than the proposed threshold? Why or why not? Should it be a presumption, as proposed, or should it be a bright line requirement? If the former, how might the presumption be rebutted? Is there another quantitative factor, such as revenues, that a registrant should consider instead of or in addition to the proposed asset test?

Under the quantitative approach, to establish that mining operations are material to its business or financial condition under a presumption of materiality at 10% of its total assets seems to be reasonable, but other aspects may also be considered by the Qualified Person and shall be clearly explained to investors.

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<p>6 When assessing the materiality of its mining operations, should we require a registrant to aggregate all of its mining properties, regardless of size or type of commodity produced, including coal, metalliferous minerals, industrial materials, geothermal energy, and mineral brines, as proposed? Why or why not? Should we exclude any of the specified commodities from the proposed aggregation requirement? If so, which commodities and why?</p>	<p>Yes, as a general rule, but the allowance to aggregate should consider the size of the company and the variety for commodities that it deals with. No, none of the mineral commodities should be excluded.</p>
<p>7 When assessing the materiality of its mining operations, should we require a registrant to include, for each property, as applicable, all related activities from exploration through extraction to the first point of material external sale, including processing, transportation, and warehousing, as proposed? Why or why not? Is “the first point of material external sale” the appropriate cut-off or should we use some other measure? Are there certain activities that we should exclude from the materiality determination, even if they occur before the first point of material external sale? If so, which activities, for which minerals or companies, and why? Are there certain activities after the point of first material external sale that we should include? If so, which activities, for which minerals or companies, and why?</p> <p>8 Are there specific qualitative or quantitative factors relating to the environmental or social impacts of a registrant’s properties or operations that a registrant should consider in making its materiality determination?</p>	<p>A comprehensive, end-to-end reporting can assist the investors with the relevant information in order to understand mineral projects for exploration and development stage issuers. For production stage registrants the materiality criteria should be applied and exploration results are not necessarily relevant.</p> <p>Environmental and social factors should be discussed as a qualitative factor that could impact the materiality determination.</p>
i. Treatment of vertically-integrated companies	
<p>9 Should we require vertically-integrated companies, such as manufacturers, to provide the disclosure required under new Regulation S-K subpart 1300, as proposed? Why or why not?</p>	<p>Yes, if the mining operation is material for the registrant.</p>
ii. Treatment of multiple property ownership	
<p>10 Should we require a registrant with multiple properties to provide the disclosure required by proposed Regulation S-K subpart 1300, as proposed? Why or why not? Should we require a registrant with multiple properties, none of which is individually material, but which in the aggregate constitute material mining operations, to provide only summary disclosure concerning its combined mining activities, as proposed? Why or why not?</p>	<p>We believe that a registrant with multiple properties (none of which is individually material) could provide only summary disclosure concerning its combined mining activities.</p>
<p>11 Are there difficulties that a registrant with multiple properties could face when determining if disclosure is required under the proposed rules? If so, how should our mining disclosure rules address such difficulties?</p>	<p>With clearly defined materiality criteria and the allowance to disclose non individually material properties in a combined form, we consider that the level of guidance is sufficient.</p>
<p>12 Should we require more detailed disclosure about individual properties that are material to a registrant’s mining operations, as proposed? Why or why not?</p>	<p>The proposed reporting criteria is considered excessive in some specific information, considered sensitive to the registrant.</p>
iii. Treatment of royalty companies and other companies holding economic interests in mining properties	

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<p>13 Should we require a royalty company, or a company holding a similar economic interest in another company's mining operations, to provide all applicable mining disclosure if the underlying mining operations are material to its operations as a whole, as proposed? Why or why not? Should disclosure for such companies be required under other circumstances?</p>	<p>No, only in cases where the holding company is also the mine operator.</p>
<p>14 Should we permit a royalty company, or other similar company holding an economic interest in another company's mining operations, to provide only the required disclosure for the reserves and production that generated its royalty payments, or other similar payments, in the reporting period, as proposed? Why or why not? If not, what additional disclosure should be required by such registrants?</p>	<p>Yes</p>
<p>15 Should we require a royalty company, or other similar company holding an economic interest in another company's mining operations, to describe its material properties and file a technical report summary for each such property, as proposed? Should we allow a royalty or other similar company to satisfy the technical report summary requirement by incorporating by reference a current technical report summary filed by the producing mining registrant for the underlying property, as proposed? Are there circumstances (e.g. when a royalty company purchases a royalty agreement and is not reasonably able to gain access to such information) in which a royalty or similar company should not be required to file a technical report summary concerning the underlying property?</p>	<p>Not required but permitted.</p>
<p>2. Definitions of exploration, development and production stage</p>	
<p>16 Should we define "exploration stage property," "development stage property" and "production stage property," as proposed? Why or why not? Would these definitions facilitate compliance by registrants with properties in more than one stage of operation?</p>	<p>Yes, the definitions are adequate.</p>
<p>17 Should we also revise the definitions of "exploration stage issuer," "development stage issuer" and "production stage issuer," as proposed? Why or why not? Should the definition of "development stage issuer" and "production stage issuer" depend on having "at least one material property", as proposed? Should we instead base the definitions on consideration of the characteristics of all mining properties? For example, if a registrant has a single development-stage material property that constitutes 10% of its mining assets, with the remainder of the mining assets all constituting exploration stage properties, should the registrant be able to identify itself as a development stage issuer?</p>	<p>At least one material property should be enough to justify the "production stage", provided that it represents more than 50 % of the registrant's asset value.</p>

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<p>18 Would the two proposed sets of definitions appropriately classify the particular stage of a registrant’s mining operations? Should the definitions be property-based and dependent on whether mineral resources or reserves have been disclosed, are being prepared for extraction, or are being extracted, as applicable, on one or more material properties? Would having two proposed sets of definitions create unnecessary complexity or investor confusion?</p> <p>19 Should the proposed rules specify that a registrant that does not have mineral reserves on any of its properties, even if it has mineral resources or exploration results, or even if it is engaged in extraction without first disclosing mineral reserves, cannot characterize itself as a development or production stage company, as proposed? Why or why not?</p>	<p>The 2 sets of definitions are considered adequate, property-based would add more unnecessary complexity.</p> <p>No, if a registrant has disclosed mineral resources, it can characterize itself as a development stage company.</p>
<p>C. Qualified Person and Responsibility for Disclosure</p>	
<p>1. The “qualified person” requirement</p>	
<p>20 Should we require, as proposed, that the determination of mineral resources, mineral reserves and material exploration results, as reported in a registrant’s filed registration statements and reports, be based on and accurately reflect information and supporting documentation prepared by a qualified person? Why or why not? Would imposing a qualified person requirement help mitigate the risks associated with including disclosure about a registrant’s mineral resources and exploration results in SEC filings, given that mineral resources and exploration results reflect a lower level of certainty about the economic value of mining properties? Why or why not?</p>	<p>Yes, to have a QP preparing or supervising the MRMR disclosure and its associated documentation stand for stricter and more reliable reports and also for a proper risk level identification. This is aligned with the CRIRSCO requirements and represents market good practice.</p>
<p>21 Should the registrant be responsible for determining that the qualified person meets the qualifications specified under the new subpart’s definition of “qualified person” as proposed? Why or why not? If not the registrant, who should be responsible for this determination?</p>	<p>Yes, the registrant should be responsible to ensure that all QPs meet the minimum requirements.</p>
<p>22 Should we, as proposed, require a registrant to obtain a technical report summary from the qualified person, which identifies and summarizes the information reviewed and conclusions reached by the qualified person about the registrant’s exploration results, mineral resources or mineral reserves, before it can disclose those results, resources or reserves in SEC filings? Why or why not? Should we instead require a registrant to obtain an unabridged technical report, rather than a technical report summary, before it can disclose exploration results, mineral resources or mineral reserves in SEC filings? Should we require the technical report summary to be dated and signed, as proposed? Why or why not?</p>	<p>Yes, the agree that a technical summary report prepared by a QP should be required before any disclosure. This technical summary report has to be dated and signed.</p>

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<p>23 If we require, as proposed, that a registrant obtain a technical report summary from the qualified person, should we also, as proposed, require that the registrant file the technical report summary as an exhibit to the relevant registrant statement or other Commission filing when one is required? Why or why not?</p>	<p>A technical summary report should be submitted in specific situations, such as first time disclosure, material changes and new material.</p>
<p>24 Should we require, as proposed, a registrant to file the technical report summary when the registrant is disclosing mineral reserves, mineral resources or material exploration results for the first time or when there is a material change in the mineral reserves, mineral resources or exploration results from the last technical report filed for the property? Why or why not? Should we instead require a registrant to file the technical report summary more frequently, such as with every Commission filing, or less frequently?</p>	<p>Technical reports should be filled only for new disclosures or material changes in previously disclosed MRMR. It should not be requested more frequently, as these reports are cost and time consuming.</p>
<p>25 Should we require, as proposed, a registrant to obtain the written consent of the qualified person to the use of the qualified person’s name and any quotation or other use of the technical report summary in the registration statement or report prior to filing the document publicly with the Commission? Why or why not?</p>	<p>Yes.</p>
<p>26 Should we require that a registrant identify the qualified person that prepared the technical report summary and disclose whether the qualified person is an employee, as proposed? Why or why not? Should we also require a registrant to name the qualified person’s employer if other than the registrant, and disclose whether the qualified person or the qualified person’s employer is an affiliate of the registrant or another issuer that has an ownership, royalty or other interest in the property that is the subject of the technical report summary, as proposed? Why or why not?</p>	<p>Yes, the identity of the QP must be disclosed by the registrant and the independence must be described and justified.</p>
<p>27 Should we require a registrant to state whether the qualified person is independent of the registrant? Why or why not? If we were to require the registrant to state whether the qualified person is independent of the registrant, should we define “independent” for purposes of that requirement? If so, how? For example, should we base the definition of independence on comparable provisions under Canada’s NI 43-101? Similar to the Canadian provisions, should we provide examples of when a qualified person would not be considered to be independent? If so, what examples should we provide? Alternatively, similar to the Commission’s rule regarding when an accountant is not independent, should we provide that a qualified person is not independent if the qualified person is not capable of, or a reasonable investor with knowledge of all relevant facts and circumstances would conclude that the qualified person is not capable of, exercising objective and impartial judgment on all issues encompassed within the qualified person’s engagement? Are there any other alternative standards on which we should base a definition of independence for the purpose of the qualified person requirement?</p>	<p>It is our view that the QP can be a registrant’s employee, and "independence" should be clearly defined to avoid any mis-interpretation. The key aspect to be considered is that the QP must have a level of independence in order to guarantee that there will be no interference in the QP’s judgment regarding the preparation of the technical report.</p> <p>The registrant should clearly define the employee’s role and responsibilities as a QP and provide evidences that he/she is capable of exercising objective and impartial judgment on all issues encompassed within the qualified person’s engagement.</p>

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28 Should we require that a registrant’s disclosure of exploration results, mineral resources or mineral reserves in a SEC filing be based on the determination of a qualified person that is independent of the registrant? If so, should we impose such a requirement only under certain circumstances, such as when the filing discloses resources or reserves by the registrant for the first time; a material change in previously disclosed resources or reserves that has occurred or is likely to occur; or a 100% or greater change in the total mineral resources or reserves on a material property, when compared to the last disclosure? In each case, why or why not?

Under the above specified circumstances, we consider that a QP's work should be reviewed by other QP . It is our view that QP’s may be registrant’s employees, provided that they meet all technical qualifications for the role and can present unbiased opinion, as previously explained.

29 **Alternatively, rather than requiring the qualified person to be independent, should we require, when the qualified person is affiliated with the registrant or another entity having an ownership or similar interest in the property, that a person independent of the registrant and qualified person review the qualified person’s work?** If so, what qualifications should the independent reviewer possess? If we require an independent review when the qualified person is affiliated with the registrant, should the review be for all disclosures of mineral resources, mineral reserves and material exploration results, or only those that are related to material properties? Should this review be required only in certain circumstances, such as when the filing discloses resources or reserves by the registrant for the first time; a material change in previously disclosed resources or reserves that has occurred or is likely to occur; or a 100% or greater change in the total mineral resources or reserves on a material property, when compared to the last disclosure? Should we instead adopt an independent review requirement for the work of an affiliated qualified person in all circumstances? In each case, why or why not?

Please see comments for question 28. We dont think a registrant needs to use external QPs if internal QPs have clearly defined roles and internal controls exist to guaranteee their unbiased analysis and comments.

30 Should we require the registrant to disclose any material conflicts of interest that could reasonably affect the judgment or decision making of the qualified person, such as material ongoing business relationships between the registrant and the qualified person or the qualified person’s employer?

Assuming the concept of independence established above, in case of some specific situations where a "potential conflict" could be expected, the registrant should declare the actions taken to avoid that it could affect the judgment or decision making of the QP. Better avoid this situation naming another QP.

31 Would the proposed technical report summary filing requirement impose a significant burden on registrants? If so, which registrants and why? Are there changes that we could make to this proposed requirement to alleviate any such burden?

It can happen, specially for small companies that don't have enough qualified professionals. A reasonable transition timeframe has to be considered.

2. The definition of “qualified person”

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32 Should we define a qualified person in part to be a mineral industry professional with at least five years of relevant experience in the type of mineralization, as described here and in the proposed rule, and type of deposit under consideration and in the specific type of activity that person is undertaking on behalf of the registrant, as proposed? Why or why not? **Should we specify the particular type of professional, such as a geologist, geoscientist or engineer, required under the definition?** The years of experience required under the proposed definition is consistent with the CRIRSCO-based codes. Is five years the appropriate number of years to constitute the minimum amount of relevant experience required under the definition in our rules? Should we require a lesser or greater number of years of relevant experience (e.g., 3, 7, or 10 years)?

The proposed number of years of relevant experience is consistent with the CRIRSCO Template. It is our view that no particular type of professional should be required.

33 **Should we define a qualified person to be an individual, as proposed?** Or should we expand the definition, in cases where the registrant engages an outside expert, to include legal entities, such as an engineering firm licensed by a board authorized by U.S. federal, state or foreign statute to regulate professionals in mining, geosciences or related fields? Why or why not? If we expand the definition in this manner, should the firm or the responsible individual sign the technical report summary and provide the required written consent? Similarly, what professional experience should be required and how would a firm satisfy the professional experience requirement? Should we adopt qualified person requirements for firms that are different than the proposed requirements for individual qualified persons? If so, what should these requirements be?

The Qualified Person should always be an individual, never a company, association or consulting firm. For the technical reports a QP will typically base his conclusions on information provided by other QPs in their specific areas of expertise.

34 Do the proposed instructions provide the appropriate guidance for what may constitute the requisite relevant experience in the particular activity involved and in the particular type of mineralization and deposit under consideration? Is there different or additional guidance that we should provide in this regard?

Yes, the proposed instruction is adequate.

35 Should we define a qualified person in part to be an eligible member or licensee in good standing of a recognized professional organization at the time the technical report is prepared, as proposed? Why or why not? Should we require an organization to meet the six criteria specified in the proposed definition in order to be a recognized professional organization, as proposed? Should the definition of a qualified person take into account whether, and the extent to which, a person has been disciplined by their professional organization? If so, how? Should the definition specify that the organization must require, rather than require or encourage, continuing professional development? Are there different or additional criteria that we should require for an organization to be a recognized professional organization?

We agree with the proposed requirements in general (all consistent with the CRIRSCO recommendations) and consider that Professional Development should be encouraged only, especially if the QP is actively exercising his/her profession.

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<p>36 What factors should we consider in determining whether a professional association is recognized as reputable with regards to the definition of a recognized professional organization? Are the examples we provided appropriate factors for determining whether a professional association is recognized as reputable or are other factors more appropriate? Should any of these factors be incorporated into the final rules?</p>	<p>Instead of defining criteria for the identification of reputable RPOs, we believe that a reference to the CRIRSCO NRO’s list of RPOs would be more adequate. If this is considered too vague by SEC, it is our recommendation to adopt the SME criteria and list of RPOs.</p>
<p>37 Instead of the proposed flexible approach, should we require that a qualified person be a member of an approved organization listed in an appendix to the mining disclosure rules or in a document posted on the Commission’s website? If so, how should the Commission determine which organizations to approve and how frequently should the Commission update the approved organization list?</p>	<p>Please see comments on question 36. A QP should be a member of an approved organization. A good option is to use the CRIRSCO-based codes lists. If one centralized list is necessary it is our recommendation to refer to the SME list of recognized RPOs. One has to consider that this list is dynamic and may be updated in an annual basis.</p>
<p>38 Should we, as proposed, require a registrant to disclose the recognized professional organization(s) that the qualified person is a member of, and confirm that the qualified person is a member in good standing of the organization(s)?</p>	<p>Yes, absolutely.</p>
<p>39 Are there different or additional conditions that a person should have to satisfy in order to meet the definition of qualified person? For example, should we require that a person have attained a particular level of formal education (bachelor’s degree, master’s degree, or doctorate) in order to be a qualified person? If so, what level of education would be appropriate? Would such a minimum education requirement disqualify a significant percentage of persons from being considered as qualified persons who otherwise possess the requisite relevant experience?</p>	<p>No, the most relevant qualification should be based on the experience of the professional and the level of supervision of the work prepared. Bachelor in geoscience/ mining related degree as minimum, but no master or doctorate requirements.</p>
<p>40 Is the definition of qualified person too restrictive, thus increasing the cost and difficulty associated with finding a qualified person? Alternatively, should the definition be more restrictive, to help ensure a qualified person has an appropriate level of training and expertise? In either case, why?</p>	<p>The QP requirements are consistent with the CRIRSCO based codes, representing market best practices. We don’t think more flexibility or additional requirements would be justified. Any change on the QP definition would conflict with market current best practices.</p>
<p>41 Instead of prescribing qualifications for the qualified person, should we instead require a registrant to provide detailed disclosure regarding the qualifications of the individual who prepared the technical report summary? Why or why not?</p>	<p>It is common practice to include a QP statement confirming he meets all requirements, including minimum relevant experience, technical qualifications and level of independence.</p>
<p>D. Treatment of Exploration Results</p>	
<p>42 Should we require a registrant to disclose material exploration results for each of its material properties, as proposed? Why or why not? Alternatively, should we permit registrants to provide exploration results in a summary form?</p>	<p>Exploration results may not be relevant to production stage registrants and should not be mandatory for their properties. The required level of detail to be disclosed should be a QP decision.</p>

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43 Should we define **exploration results as data and information generated by mineral exploration programs** (i.e., programs consisting of sampling, drilling, trenching, analytical testing, assaying, and other similar activities undertaken to locate, investigate, define or delineate a mineral prospect or mineral deposit) **that do not form part of a disclosure of mineral resources or reserves**, as proposed? Why or why not? Are there other characteristics that we should include in the definition of exploration results? Are there other activities that we should include as examples of mineral exploration programs? Are there activities that we should exclude as examples of mineral exploration programs?

Exploration results must be declared separately from resources and reserves due to its uncertainties and risk. The CRIRSCO category "Exploration target" should be included in the SEC proposal.

44 What are the risks that could result from requiring disclosure of material exploration results? **Should we prohibit the use of exploration results to derive estimates of tonnage, grade, and production rates, or in an assessment of economic viability, as proposed?** Why or why not? Would prohibiting the use of exploration results for these purposes, as proposed, adequately protect investors from the increased risk associated with including information having a lower level of certainty about the economic value of mining properties?

CBRR strongly recommends the adoption of the CRIRSCO Template and definitions in full, without any amendment. That said, it is important to consider that these definitions may evolve on time and new terms may be included in the future, as the Committee is in permanent discussions with its affiliates to guarantee best practices are put in place. According to the CRIRSCO definitions, tonnage and grade of Exploration targets can only be expressed as a range.

45 **When determining whether exploration results are material, should a registrant consider their importance in assessing the value of a material property or in deciding whether to develop the property, as proposed?** Why or why not? Are there other circumstances that would better define when exploration results are material? If so, what are those circumstances?

Exploration results in early stage projects should not be associated to economic evaluations. Exploration targets can be expressed in ranges and potential value must come with clear disclaimer of all associated risks and uncertainties.

46 We are proposing to require the disclosure of material exploration results for each material property. **Should we also require disclosure of material exploration results when the registrant has determined that it has in the aggregate material mining operations but no individual properties are material?** Would disclosure of material exploration results for its properties in the aggregate (when none is individually material) provide additional meaningful disclosure for investors? If so, how should a registrant disclose such exploration results? Should it provide such results in summary form? Or should it provide detailed disclosure about all material exploration results for all of its properties?

The level of detail should be at the QP's discretion, with appropriate justification. Detailing of deposits without materiality should not be requested.

E. Treatment of Mineral Resources

47 Should we require a registrant with material mining operations to disclose mineral resources in addition to mineral reserves, as proposed? Why or why not?

Yes, all registrants should disclose mineral resources additional to their mineral reserves for material properties (a) in order to align with other CRIRSCO based codes.

48 What are the risks that could result from requiring a registrant with material mining operations to disclose its mineral resources? How could the Commission mitigate those risks?

We do not anticipate any additional risks if the CRIRSCO Template and definitions are adopted. We recommend that mineral resources are expressed as additional to the mineral reserves.

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<p>49 Under the proposed rules, a registrant with material mining operations could choose not to engage a qualified person to determine whether a mineral deposit is a mineral resource, with the result that the registrant would not be required to disclose mineral resources that may exist. Should the rules, as proposed, preclude a registrant from disclosing mineral resources in an SEC filing if it has elected not to engage a qualified person to make the resource determination? Alternatively, should the rules permit a registrant to disclose mineral resources in an SEC filing, despite not having engaged a qualified person to make the resource determination, in certain instances? If so, in what instances would it be appropriate to permit such disclosure?</p>	<p>Mineral resources and mineral reserves should only be prepared and reported under a QP supervision. As previously expressed, it is CBRR’s opinion that QPs may be employees of the registrant provided that their independent and unbiased opinion is respected. We do not anticipate any situation where mineral resources and reserves might be reported without a QP.</p>
<p>1. Mineral Resource Definition</p> <p>50 Should we define the term “mineral resource,” as proposed? Why or why not? In order for material to be classified as a mineral resource, should there be reasonable prospects for its economic extraction, as proposed? Why or why not?</p> <p>51 Should the definition of mineral resource include mineralization, including dumps and tailings, as proposed? Should the definition of mineral resource also include geothermal fields and mineral brines, as proposed? Why or why not? Is there any other material that should be explicitly included in the definition of mineral resource?</p> <p>52 Should the definition of mineral resource exclude oil and gas resources as defined in Regulation S-X,146 gases (e.g., helium and carbon dioxide), and water, as proposed? Why or why not? Is there any other material that should be explicitly excluded from the definition of mineral resource?</p> <p>53 Should the definition of mineral resource include the requirement that a qualified person estimate or interpret the location, quantity, grade or quality continuity, and other geological characteristics of the mineral resource from specific geological evidence and knowledge, including sampling, as proposed? Why or why not? Are there other geological characteristics that we should explicitly require a qualified person to estimate or interpret when determining the existence of mineral resources?</p>	<p>Yes, this is consistent with the CRIRSCO definitions.</p> <p>According to the CRIRSCO definitions a resource may only be composed by solid material, not brines or geothermal fields.</p> <p>Yes, once this is consistent with the CRIRSCO definitions and family of codes.</p> <p>There are other non-geological basic knowlegde that is important to define the reasonable prospects for its economic extraction, such as processing, mining methods costs, economic evaluation, etc... It is a QP responsibility to consider all relevant factors.</p>
<p>2. Mineral Resource Classification</p> <p>54 Should we require a registrant to classify its mineral resources into inferred, indicated and measured mineral resources, as proposed? Why or why not? If not, what classifications would be preferable and why?</p>	<p>Yes, this is consistent with the CRIRSCO definitions. In no circumstance new terms should be proposed by SEC, in order to avoid market confusion.</p>

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55 Should we define “inferred mineral resource” as proposed? Why or why not? Should we require the disclosure of inferred mineral resources although quantity and grade or quality with respect to those mineral resources can be estimated only on the basis of limited geological evidence and sampling, as proposed? **Should we require a qualified person to describe the level of risk associated with an inferred mineral resource based on the minimum percentage that he or she estimates would convert to indicated or measured mineral resources with further exploration, as proposed?** Should we permit rather than require a registrant to disclose inferred mineral resources because of the high level of geologic uncertainty associated with that class of mineral resource? Should we prohibit the disclosure of inferred mineral resources for that reason?

56 **Should we prohibit the use of inferred mineral resources to make a determination about the economic viability of extraction, and preclude the conversion of an inferred mineral resource into a mineral reserve, as proposed?** Would these proposed prohibitions be sufficient to mitigate the added uncertainty that could result from the requirement to disclose inferred mineral resources? Are there circumstances that would justify a qualified person’s use of inferred mineral resources to make a determination about the economic viability of extraction, or that would allow the conversion of an inferred mineral resource into a mineral reserve? Should we permit the use of inferred mineral resources to make a determination about the economic viability of extraction as long as the qualified person and registrant disclose the high level of risk associated with such mineral resources? If so, what would be the potential effects on registrants and investors?

57 Should the definition of “inferred mineral resource” provide that such mineral resource has the lowest level of geological confidence of all mineral resources, which prevents the application of the modifying factors in a manner useful for evaluation of economic viability, as proposed? Should we require a registrant, when disclosing inferred resources, to provide a legend or cautionary statement about the geological uncertainty associated with inferred resources? If so, what should such legend or cautionary statement say and where in the SEC filing should it be disclosed?

58 Should we define “indicated mineral resource,” as proposed? In particular, should the definition depend on a qualified person’s ability to estimate quantity and grade or quality using adequate geological evidence and sampling, as proposed? Should the definition of “adequate geologic evidence” be based on a qualified person’s ability to apply modifying factors in sufficient detail to support mine planning and evaluation of the economic viability of the deposit, as proposed? **Should we require a qualified person to describe the level of risk associated with indicated mineral resources based on the confidence limits of relative accuracy at a particular confidence level for production estimates for one-year periods, as proposed?** Should we, instead, allow the qualified person to provide a qualitative discussion of the uncertainties in place of confidence limits if he or she so chooses? Why or why not?

The "inferred mineral resource" definition is consistent with the CRIRSCO definitions. We agree that the disclosure of inferred resources should be permitted but not required. Expected percentage of conversion is not appropriate and not required by CRIRSCO.

It is our view that Inferred Resources could be used in Scoping studies but not be converted into reserves. Only indicated and measured can be used in pre-feas and feasibility studies and converted to reserves. Once again, we recommend to follow the CRIRSCO template and definitions.

Yes, the definition of inferred should state that it has the lowest level of geological confidence and prevents the application of the modifying factors in a manner useful for evaluation of economic viability at prefeasibility or feasibility levels. Cautionary language that emphasizes the geological uncertainty can underline that caution should be exercised if Inferred Resources are considered in technical and/or economic initial assessments.

The definition is consistent with the CRIRSCO based codes. Level of risk based in confidence level for production estimates should be optional but not mandatory. Associated risks are always to be clearly explained by the responsible QP.

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<p>59 Should the definition of “indicated mineral resource” include that such mineral resource has a lower level of confidence than what applies to a measured mineral resource and may only be converted to a probable mineral reserve, as proposed?</p> <p>60 Should we define “measured mineral resource,” as proposed? In particular, should the definition depend on a qualified person’s ability to estimate quantity and grade or quality on the basis of conclusive geological evidence? Should we base the definition of “conclusive geologic evidence” on a qualified person’s ability to apply modifying factors in sufficient detail to support detailed mine planning and final evaluation of the economic viability of the deposit, as proposed? Should we require a qualified person to describe the level of risk associated with measured mineral resources based on the confidence limits of relative accuracy at a particular confidence level for production estimates for periods of less than one year, as proposed? Should we, instead, allow the qualified person to provide a qualitative discussion of the uncertainties in place of confidence limits if he or she so chooses? Why or why not? Are there particular challenges to complying with the proposed requirement to disclose numerical estimates of the level of confidence for each class of mineral resource?</p> <p>61 Should the definition of “measured mineral resource” include that such mineral resource has a higher level of confidence than what applies to either an indicated mineral resource or an inferred mineral resource and may be converted to a proven mineral reserve or to a probable mineral reserve, as proposed?</p> <p>62 Should we require the disclosure of numerical estimates of the level of confidence associated with each class of mineral resource, as proposed? Why or why not? Should we instead follow the practice in the CRIRSCO-based codes and require only the disclosure of all material assumptions and the factors considered in classifying mineral resources? Why or why not?</p>	<p>Yes, this is consistent with the CRIRSCO Template and definitions.</p> <p>The measured mineral resource is consistent with the CRIRSCO Template. Description of the level of risk associated with mineral resources based on the confidence limits should be optional and when applied they should be defined by the QP. For greenfield projects the QP should be allowed to choose an alternative approach to provide numerical estimates of the uncertainty and also to provide a qualitative discussion of these uncertainties.</p> <p>Yes, this is consistent with the CRIRSCO Template and definitions.</p> <p>A level of confidence is not required by any CRIRSCO based codes and creates significant work for the registrant. It is our view that numerical estimates of the level of confidence might be recommended but should not be mandatory. It is a duty of the responsible QP to clearly present risks and uncertainties.</p>
<p>3. The initial assessment requirement</p> <p>63 Should we require that a registrant’s disclosure of mineral resources be based upon a qualified person’s initial assessment, which supports the determination of mineral resources, as proposed? Why or why not? Is there another form of analysis or means of disclosure that would be more appropriate for the determination and disclosure of mineral resources? Would disclosure of the material risks associated with mineral resource determination be an adequate substitute for the initial assessment requirement?</p>	<p>Yes, the qualified person’s initial assessment is considered adequate and should include material risk analysis. A more comprehensive risk analysis report is expected as a separate internal report and its disclosure should not be required.</p>

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<p>64 If we require an initial assessment to support the determination of mineral resources, should we define “initial assessment,” as proposed, to require the consideration of applicable modifying factors and relevant operational factors for the purpose of determining (at the resource evaluation stage) whether there are reasonable prospects for economic extraction? Should we instead only require consideration of modifying and operational factors at the reserve determination stage?</p>	<p>As mineral resources must have a reasonable prospects to be economic in the future it is expected that the QP includes some analysis of modifying factors in the initial assessment report. It is worth noting that this initial assessment report may include all resource categories (Inferred, Indicated and Measured) and does not correspond to a Scoping Study, a Preafeasibility Study or even a PEA as currently presented at the NI-43101.</p>
<p>65 Should we require an initial assessment to include cut-off grade estimation, as proposed? Why or why not?</p> <p>66 Should we require a qualified person to base cut-off grade estimation on assumed unit costs for surface or underground operations, as proposed? Is it appropriate to allow the qualified person to make an assumption about unit costs, as proposed, or should we require a more detailed estimate of unit costs at the resource determination stage? Is it appropriate to require the qualified person to disclose whether the unit cost estimates are for surface or underground operations, as proposed?</p>	<p>Yes, a reasonable cutoff is required for estimating and reporting all mineral resources. This is just one of the parameters to be considered by the QP.</p> <p>Yes. On a initial assessment the QP is responsible for presenting and justifying all unit cost assumptions. More detailed studies are not necessary at the resource definition stage. It is clear that the QP has to clearly state if the assumptions (and therefore the resources) are based on surface or underground operations.</p>
<p>67 Should we also require a qualified person to base cut-off grade estimation on estimated mineral prices, as proposed? In this regard, should we require the qualified person to use a commodity price that is no higher than the average spot price during the 24-month period prior to the end of the last fiscal year, determined as an unweighted arithmetic average of the daily closing price for each trading day within such period, unless prices are defined by contractual arrangements, as proposed? Does a ceiling model based on historical prices best meet the goals of transparency, cost efficiency and comparability? Why or why not? Is there another model that would better meet these goals? If another price model better meets these goals, what should be the basis of estimated mineral prices for purposes of the initial assessment? Whatever price model we adopt, should it be used to determine the commodity price itself? Or should it be used, as proposed, to determine the ceiling of the commodity prices?</p>	<p>A company should be able to use their own established metal prices as long as they are reasonable and clearly reported for the investors. Using the 2 or 3 year trailing average price should not be required for mineral resources. Price considerations for resources may differ from price considerations for reserves as they are based upon long term assumptions and market conditions that may differ from previous periods.</p>
<p>68 Is the proposed 24-month period the most appropriate period for the estimated price requirement? Would a 12, 18, 30, or 36-month period, or some other duration, be more appropriate? Should the 24-month period, or other period be fixed and apply to all registrants, or should the period vary depending upon the type of commodity being mined and other factors?</p>	<p>If using the 24-month (or other past periods), we would still have the same problem: we are looking to the past and the estimates are sensitive to price volatility in the short term. The industry practice is to use the long term price forecast which is based on supply and demand models. A better approach would be to follow what is recommended by the Canadian NI-43101, that requires the price disclosure used for resource and reserve estimation (and they may be different). Additionally the registrant should describe the methodology used to establish this price assumptions in both cases.</p>
<p>69 Should we require, as proposed, the same ceiling price for mineral resource and reserve estimation? If not, how should the prices used for mineral resource and reserve estimation differ? Would such criteria meet the goals of transparency, cost efficiency and comparability?</p>	<p>No, we should not prescribe that the same prices are used for mineral resources and mineral reserves definition. This is not considered best practice and is not requested by the CRIRSCO family codes.</p>

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<p>70 Should we require that for purposes of the initial assessment a qualified person must provide at least a qualitative assessment of all relevant modifying factors to establish economic potential and justify why he or she believes that all issues can be resolved with further exploration and analysis, as proposed? Are the modifying factors provided as examples in the proposed instruction and table the most appropriate factors to be included? Are there other factors that should be specified in the instruction and table in lieu of or in addition to the mentioned factors? Would presentation of the modifying factors in a table benefit investors, registrants and qualified persons?</p> <p>71 Should we permit the qualified person to make assumptions about the modifying factors set forth in the proposed table at the resource determination stage, as proposed? Why or why not? Are there other assumptions that we should specify in lieu of or in addition to those already mentioned in the proposed table?</p> <p>72 Should we permit a qualified person to include cash flow analysis in an initial assessment to demonstrate economic potential, as proposed? Why or why not? If we should permit cash flow analysis in an initial assessment, should we require that operating and capital cost estimates in the analysis have an accuracy level of at least $\pm 50\%$ and a contingency level of $\leq 25\%$, as proposed? If not, what should the accuracy and contingency levels be? Should we require the qualified person to state the accuracy and contingency levels in the initial assessment?</p> <p>73 If we permit cash flow analysis in the initial assessment, should we prohibit the qualified person from using inferred mineral resources in the cash flow analysis, as proposed? Why or why not? Would there be disadvantages to registrants or investors if the use of inferred mineral resources in an initial assessment's cash flow analysis is prohibited? Would there be advantages to prohibiting the use of inferred resources in an initial assessment's cash flow analysis in the initial assessment?</p> <p>74 Should we prohibit the use of an initial assessment to support a determination of mineral reserves, as proposed? Why or why not?</p>	<p>Yes, the modifying factors should at least be considered on a qualitative basis, although it may be premature and not possible to strictly evaluate all of them during the early stages. Tables 1 and 2 and the "if not/why not" approach used by some CRIRSCO-based codes are considered good references.</p> <p>It is our view that the "Initial assessment", as shown on Table 1 (page 87) is a good reference but it requests more detailed information than we consider reasonable. The QP should always define which factors are appropriate, consistent with the "if not/why not" approach.</p> <p>Yes, a simple cash flow analysis should be permitted but not requested. The reasonable prospect for future economic extraction is to be clearly justified by the QP. Contingency and accuracy levels should not be prescribed for mineral resources.</p> <p>As defined by the CRIRSCO all mineral resource categories are to present reasonable prospects for future economic extraction. As a result, the use of Inferred resources in simple cash flow analysis presented by initial assessment reports is recommended. A cautionary language on risks and uncertainties is also requested.</p> <p>Yes, reserves should be solely derived from indicated and measured resources with at least a pre-feasibility level study.</p>
<p>4. USGS Circular 831 and 891</p> <p>75 Are we correct in thinking that use of Circulars 831 and 891 to classify mineral resources would not be appropriate under the proposed rules? Why or why not?</p>	<p>CBRR concurs that all definitions should be compiled on a single document following the CRIRSCO Template and definitions.</p>
<p>F. Treatment of Mineral Reserves</p> <p>76 Should we establish a framework for mineral reserves determination and disclosure, as proposed? Why or why not? Is there another framework that would be preferable to the proposed framework? If so, what would be the advantages and disadvantages of the alternative framework?</p>	<p>We strongly recommend the adoption of the CRIRSCO Template and definitions, without creating any new terms. The proposal of "net reserves" is misleading and not consistent, as modifying factors such as mining losses and dilution are intrinsic to the reserves definition process.</p>

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<p>Should we define “mineral reserve,” as proposed? Are there conditions that we should include in the definition of mineral reserves instead of, or in addition to, those proposed to be included in the definition? Are there any conditions that we should exclude from the definition of mineral reserves? For example, should we modify the condition that mineral reserves be based on a pre-feasibility or feasibility study to only permit a feasibility study? Should we exclude in its entirety the condition that mineral reserves be based on a feasibility or pre-feasibility study? Are there terms that we should define differently? For example, should we define a mineral reserve as an estimate of tonnage and grade or quality that includes diluting materials and allowances for losses, instead of a net estimate, as proposed? Why or why not?</p>	<p>For "net reserves", please see comment on question 76. We agree that as a general rule at least a pre-feasibility should be acceptable. For greenfield projects (including new process routes for production expansion of existing operations) the mineral reserves definition should be supported by a feasibility study as proposed.</p>
<p>78 Should we explicitly include a life of mine plan disclosure requirement in the technical studies required to support a determination of mineral reserves, as proposed? Why or why not?</p>	<p>Yes, this is consistent with global jurisdictions.</p>
<p>79 Should we require the use of a discounted cash flow analysis or other similar analysis to establish the economic viability of a mineral reserve’s extraction, as proposed? Why or why not? If so, should we require the use of a price that is no higher than a trailing 24 month average spot price in the discounted cash flow analysis, except in cases where sales prices are determined by contractual agreements, as proposed? Is there some other period (e.g., 12 or 36 months) or measure that should determine the price used in the discounted cash flow analysis?</p>	<p>The use of a DCF should be requested, but not necessarily its disclosure. For the ceiling prices, please see comments on questions 67 and 68. We don’t think the prescription of ceiling prices is adequate, but registrants should clearly describe and justify assumptions used to prepare the economic assessment.</p>
<p>80 Should we allow registrants to use an alternate price in addition to a price that is no higher than a trailing 24 month average spot price, as long as they disclose the alternate price and their justification? Alternatively, should we require every registrant to use a fixed 24 month trailing average price with the option to use an alternate price(s) that is reasonably achieved? Are there other pricing methods (e.g., management’s long term view or using spot, forward or futures prices at the end of the last fiscal year to determine the ceiling price allowed) that we should require or permit registrants to use in discounted cash flow analysis? Would such pricing methods be transparent, easy for registrants to apply and investors to understand, and to the extent practicable, provide some degree of comparability?</p>	<p>The registrants should be allowed to use an alternate price instead to a fixed 24 month trailing average price, since they disclose the alternate price and the methodology used to ensure that the adopted price is reasonably achieved.</p>
<p>81 Should we define the terms “probable mineral reserve” and “proven mineral resource,” as proposed? Why or why not? If not, how should we modify these definitions?</p>	<p>Yes, in accordance with the CRIRSCO-based codes.</p>
<p>82 Should we define “modifying factors,” as proposed? Are there any factors that we should include in the definition of modifying factors instead of or in addition to those already included in the definition? Are there any factors that we should exclude from the definition?</p>	<p>Yes, the proposed definitions are consistent with the CRIRSCO Template and definitions.</p>
<p>83 Should we adopt the above discussed instructions, as proposed? Why or why not?</p>	

2. The type of study required to support a reserve determination

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<p>84 Should we define “preliminary feasibility study” and “feasibility study,” as proposed? Are there any terms and conditions that we should include instead of or in addition to those included in the proposed definitions? Are there any terms or conditions under each definition that we should exclude?</p>	<p>The "prefeasibility" and "feasibility" study definitions look adequate.</p>
<p>85 Should we permit the use of either a pre-feasibility study or a feasibility study to support the determination and disclosure of mineral reserves, as proposed? Why or why not?</p>	<p>Please see comment on question 77. We agree that as a general rule at least a pre-feasibility should be acceptable. For greenfield projects (including new process routes for production expansion of existing operations) the mineral reserves definition should be supported by a feasibility study as proposed.</p>
<p>86 Should we require qualified persons to use a feasibility study in situations where the risk is high, as proposed? Why or why not? Are there other conditions, in addition to or in lieu of high risk situations, where we should require a feasibility study in support of mineral reserve disclosure?</p>	<p>Please, see comments on questions 77 and 85. We agree that for some high risk conditions a feasibility report would be more appropriate.</p>
<p>87 Should we adopt the proposed instructions about the use of a pre-feasibility study to support the determination and disclosure of mineral reserves? Are there any instructions that we should provide instead of or in addition to the proposed instructions for such use of a pre-feasibility study? Are there any instructions that we should exclude? Would the proposed instructions mitigate the risk of less certain disclosure that could result from the use of a pre-feasibility study to support the determination and disclosure of mineral reserves? If not, why not?</p>	<p>Depending on the specific circumstances and project characteristics either a Prefeasibility or a Feasibility Study would be required. The QP should present a FS in high risk situations and for reporting mostly proved reserves, but the accuracy and contingency ranges should be established by the company and supported by the QP.</p>
<p>88 Should we adopt the proposed instructions for the use of a feasibility study to support the determination and disclosure of mineral reserves? Are there any instructions that we should provide instead of or in addition to the proposed instructions for such use of a feasibility study? Are there any instructions that we should exclude?</p>	<p>No, this will depend on the specific circumstances and project characteristics. Mineral reserves may be defined by Prefeasibility Studies.</p>
<p>89 As part of the instructions for pre-feasibility and feasibility studies, should we define preliminary and final market studies as proposed?</p>	<p>No, the definition of final market studies seems to be very detailed and includes strategic market decisions that can affect the natural market competition</p>
<p>G. Specific Disclosure Requirements</p>	
<p>1. Requirements for Summary Disclosure (PÁG 123)</p>	
<p>90 Should we require summary disclosure, as proposed, for all registrants with material mining operations? Why or why not? Should such summary disclosure require maps showing the locations of all mining properties, a presentation of the proposed information about the 20 properties with the largest asset values, and a summary of all mineral resources and reserves at the end of the most recently completed fiscal year, as proposed?</p>	<p>We agree with the summary disclosure for the material operations and a map can help the readers. A summary of mineral resources and reserves should be presented for all the material properties that can be grouped in interrelated operations.</p>

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<p>91 Should we permit registrants to treat multiple mines with interrelated mining operations as one mining property, as proposed? Should we instead require registrants to treat such mines as separate properties? Why or why not?</p>	<p>Yes, if a series of mines feed one plant then they should all be considered as one operation or material property.</p>
<p>92 Should we exclude registrants with only one mining property from the summary disclosure requirements, as proposed? Why or why not? Alternatively, should we use a different threshold than the proposed “only one” threshold for excluding a registrant from the summary disclosure requirements? If so, what threshold should we use and why would this threshold be more appropriate?</p>	<p>No, if the property is material then it has to be disclosed. It should follow the same instruction as all other properties.</p>
<p>93 Regarding the proposed summary disclosure requirement for the 20 largest properties, should we require other information, in addition to or in lieu of the proposed items? Why or why not? For example, should we require the registrant to disclose the asset value of each property included in its summary disclosure? Should we revise the proposed form and content of Table 2? If so, how should we revise the table’s form or content?</p>	<p>It is our view that all material properties should be included in the summary. Materiality criteria are to be clearly defined and justified by the QP. We don’t think that the asset value should be part of the report. Table 2 contents are ok.</p>
<p>94 Should the presentation of information about the mining properties with the largest asset values include the 20 largest properties, as proposed? Should this number be higher or lower? If so, what number is appropriate? Why? Should the summary disclosure include only those properties that represent 5% or more in asset value? Should we permit the summary disclosure to omit any property that represents 1% or less in asset value? Alternatively, should we require the specified information based on some criteria (e.g. revenues) other than asset value?</p>	<p>See above.</p>
<p>95 Should we require summary disclosure to include information on mineral resources and reserves, as proposed? Why or why not? If mineral resources and reserves are required in summary disclosure, should we require their disclosure by class of mineral reserves (probable and proven) and resources (inferred, indicated and measured), together with total mineral reserves and total measured and indicated mineral resources, as proposed? Should we require the summary disclosure by commodity and geographic area or property containing 10% or more of mineral reserves or sum of measured and indicated mineral resources, as proposed? Why or why not? In particular, is the proposed instruction to Table 3 regarding the scope of geographic area to be disclosed sufficiently clear, and if not, how should it be clarified? Should we require disclosure of mineral reserves and resources by some other attribute (e.g., segments), in addition to or in lieu of commodity and geographic area? If so, which attributes should we use and why? Should we revise the proposed form and content of Table 3? If so, how should we revise the table’s form or content?</p>	<p>Mineral resources and mineral reserves should always be disclosed by category. Table 3 contents are considered adequate.</p>
<p>96 Should we require the disclosure in Tables 2 and 3 to be made available in the eXtensible Business Reporting Language (XBRL) format? Why or why not?</p>	<p>Specific format implementation may result on additional costs and complexity.</p>

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<p>97 If we require the disclosure in Tables 2 and 3 to be made available in XBRL, are the current requirements for the format and elements of the tables suitable for tagging? If not, how should they be revised? In particular, are the proposed instructions for Tables 2 and 3 sufficiently specific to make the data reported in the tables suitable for direct comparative analysis? If not, how should the instructions be revised to increase the usefulness of having the data made available in XBRL, including the comparability and quality of XBRL data?</p> <p>98 If we require Tables 2 and 3 to be made available in XBRL, is there a particular existing taxonomy that should be used? Alternatively, what features should a suitable taxonomy have in this case?</p>	<p>Specific format implementation may result on additional costs and complexity. Table contents are considered adequate.</p> <p>It is our view that the CRIRSCO Template and definitions are to be preserved. If other definitions are incorporated by the registrant these have to be clearly explained in the reports.</p>
<p>2. Requirements for Individual Property Disclosure</p> <p>99 Should we require disclosure on individually material properties, as proposed? Why or why not? Should such disclosure require a description of the property, a history of previous operations, a description of the condition and status of the property, a description of any significant encumbrances to the property, a summary of the exploration activity for the most recently completed fiscal year, a summary of material exploration results for the most recently completed fiscal year, and a summary of all mineral resources and reserves, if mineral resources or reserves have been determined, as proposed?</p> <p>100 Should we require that a registrant provide the property’s location, including in maps, accurate within one mile? Why or why not? If not, should we use a standard for degree of accuracy similar to that used in the CRIRSCO-based codes, such as PERC or SAMREC? Why or why not? If not, what level of accuracy should we require?</p>	<p>We consider that the proposal includes some excessively detailed information (whose value for the investors seems to be questionable). Excessive detail examples are: age and physical condition of the equipment, facilities, infrastructure, and underground development, book value of the property and its associated plant and equipment. In Table 5: Summary exploration results for the fiscal year ending might only be relevant for an exploration stage issuer that has no material property with mineral reserves. Disclosing all exploration results for an operating property would not only be not material, but also create additional work and costs.</p> <p>We agree that the property location on a map with adequate accuracy is relevant, but we don’t think that the prescription of any specific accuracy is necessary or recommended.</p>

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101 Should we require that a registrant provide in tabular format each of the summaries required for its exploration activity, material explorations results, and mineral resources and reserves, as proposed? Why or why not? Should we require all of the information specified in Tables 4-8 to be in tabular form? Why or why not? Should we revise the proposed form and content of these tables? If so, how should we revise the tables' form or content?

102 Should we permit registrants to disclose estimates of mineral resources and reserves based on different price criteria, which may reasonably be achieved, in lieu of, or in addition to, the price which is no higher than the 24-month trailing average? Why or why not? What factors should we use to determine what may reasonably be achieved? Should we require all registrants to use the 24-month average spot price (or average over a different period) as the commodity price instead of as a ceiling? Why or why not?

103 **Should we require the registrant to provide a comparison of the mineral resources and reserves as of the end of the last fiscal year against the mineral resources and reserves as of the end of the preceding fiscal year, with an explanation of any material change between the two, as proposed?** Why or why not? Are there items of information that we should include in the comparison instead of or in addition to the proposed items of information? Are there any proposed items of information that we should exclude from the comparison?

We agree that information regarding exploration activity, material explorations results, and mineral resources and reserves could be provided in tabular format according to its relevance considering the registrant stage (exploration, development, production). We don't agree that production stage registrants should report exploration results. On Table 6, we don't think mineral resources and mineral reserves should be presented in a single table as modifying factors are not applied to mineral resources. We recommen to split Table 6 into two different tables:
TABLE 6A. SUMMARY OF ADDITIONAL MINERAL RESOURCES (tons ; grades ; cutoff; price)
TABLE 6B. SUMMARY OF MINERAL RESERVES (plant/mill feed tons ; plant/mill feed grades ; plant/mill feed cutoff; price; saleable tons ; saleable grades; metallurgical recovery)
Reporting mineral resources in terms of saleable products may be misleading, as modifying factors are not incorporated, metallurgical information is very preliminary and this could add more confusion than value for the investors. The QP should clearly present in the initial assessment report all assumptions on costs, operational and mettallurgical performance, with cautionary language on risks and associated uncertainties.

Yes, reasonable company planning assumptions should be used. The industry practice is to use a long term price based on market balance, and not a 2 or 3 year trailing average price. Price assumptions for mineral resources may differ from price assumptions for mineral reserves, as they are related to different periods on time.

Yes. Reconciliation between numbers on consecutive fiscal years is important to validate uncertainty assumptions and resource/reserve classification, among other things.

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104 If the registrant has not previously disclosed material exploration results, mineral reserve or resource estimates in a filing with the Commission or is disclosing material changes to its previously disclosed exploration results, mineral reserve or mineral resource estimates, should we require it to provide a brief discussion of the material assumptions and criteria in the disclosure and cite to any sections of the technical report summary, as proposed? Should we require registrants to file updated summary technical reports to support disclosure of material exploration results, mineral resources or mineral reserves when the registrant is relying on a previously filed technical report summary that is no longer current with respect to all material scientific and technical information, as proposed? Why or why not?	Yes, the technical summary report is appropriate for these cases. Operation stage registrants should not be required to disclose exploration results.
105 Regarding the proposed requirement to disclose a material change in mineral resources or reserves, should we adopt an instruction that an annual change in total resources or reserves of 10% or more, or a cumulative change in total resources or reserves of 30% or more in absolute terms, excluding production as reported in Tables 7 and 8, is presumed to be material, as proposed? Why or why not? If not, should we remove the materiality presumptions altogether or use different quantitative thresholds from those proposed? If the latter, what alternative thresholds or measure(s) should replace the proposed presumptions of materiality?	The material change should be defined as 15% on annual basis or a cumulative change in total resources or reserves of 30% or more in absolute terms, excluding production.
106 Should we require the disclosure in Tables 4 through 8 to be made available in the XBRL format? Why or why not?	Specific format implementation may result on additional costs and complexity. Table contents are considered adequate.
107 If we require the disclosure in Tables 4 through 8 to be made available in XBRL, are the current requirements regarding for the format and elements of the tables suitable for tagging? If not, how should they be revised? In particular, are the proposed instructions for Tables 4 through 8 sufficiently specific to make the data reported in the tables suitable for direct comparative analysis? If not, how should the instructions be revised to increase the usefulness of having the data made available in XBRL, including the comparability and quality of XBRL data?	Specific format implementation may result on additional costs and complexity. Table contents are considered adequate.
108 If we require Tables 4 through 8 to be made available in XBRL, is there a particular existing taxonomy that should be used? Alternatively, what features should a suitable taxonomy have in this case?	Specific format implementation may result on additional costs and complexity. Table contents are considered adequate.

3. Requirements for Technical Report Summaries

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109 **Should we require the qualified person to include in a technical report summary the 26 items, as proposed?** Are there any items of information that we should include instead of or in addition to the proposed 26 sections of the technical report summary? Are there any items of information that we should exclude from the proposed technical report summary?

We agree with the majority of the topics suggested for the Technical Report Summaries, with the exception of the requirements to include the "results of the economic analysis" presented as annual cash flow forecasts and measures of economic viability such as net present value, internal rate of return, and payback period of capital. These are sensitive information for the companies and should only be requested under specific situations and confidentiality. We consider that a mineral resource/mineral reserve statement signed by the QP confirming that an economic analysis was concluded and results are positive should suffice.

110 As previously noted, the qualified person would have to apply and evaluate relevant modifying factors to assess prospects of economic extraction or to convert measured and indicated mineral resources to proven or probable mineral reserves. These would include a variety of factors such as economic, legal, and environmental as discussed more fully above. For example, to apply and evaluate legal factors the qualified person must examine the regulatory regime of the host jurisdiction to establish that the registrant can comply (fully and economically) with all laws and regulations (e.g., mining; environmental, including regulations governing water use and impacts, waste management, and biodiversity impacts; reclamation; and permitting regulations) that are relevant to operating a mineral project using existing technology. Should we expand proposed Item 601(b)(96)(iv)(B)(19)(vi) to provide additional specific examples, in addition to those set forth in Items 601(b)(96)(iv)(B)(19)(i)-(iv), of "issues related to environmental, permitting and social or community factors" that the qualified person must include in the technical report summary? For example, should we expressly require that the qualified person include a discussion of other sustainability issues such as how he or she considered issues related to managing greenhouse gas emissions or workforce health, safety and well-being? Are there other items for which it would be appropriate to require the qualified person to include a discussion in the technical report summary? If so, please provide examples and explain why.

The proposed Items are sufficient, but "and other significant information that is relevant to the project" could be added. This should always be subject to the QP discretion, following the "if not/why not" approach. One QP will frequently base his opinion on other QP's reports and these detailed reports should be available on request under specific conditions and confidentiality.

111 Should we require, as proposed, a qualified person who prepares a technical report summary that reports the results of a preliminary or final feasibility study to provide information for all 26 items? If not, which items should not be required? Should we require, as proposed, a qualified person who prepares a technical report summary that reports the results of an initial assessment to provide, at a minimum, the information specified in paragraphs (iv)(B)(1) through (13) and (iv)(B)(22) through (26) of proposed Item 601(b)(96)?

Yes. This aligned with other jurisdictions and reporting requirements. The addition of hydrology and rock mechanics are good additions. The principle of "if not why not" from Jorc Code should be applicable.

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<p>112 The proposed rules would permit a qualified person who prepares a technical report summary that reports the results of an initial assessment to use mineral resources in economic analysis (and provide the information specified in paragraph (iv)(B)(21) of proposed Item 601(b)(96)). Should we permit a qualified person to do so if he or she wishes?</p>	<p>Yes, all mineral resource categories should be supported by a simplified economic assessment.</p>
<p>113 Should we require a qualified person who prepares a technical report summary that reports material exploration results to provide, at least, the information specified in paragraphs (iv)(B)(1) through (11) and (iv)(B)(22) through (26) of proposed Item 601(b)(96), as proposed?</p>	<p>A technical report summary is to be prepared by the QP considering the "If not/why not" approach.</p>
<p>114 Should we preclude a qualified person from disclaiming responsibility if he or she relies on a report, opinion, or statement of another expert who is not a qualified person in preparing the technical report summary, as proposed? Why or why not?</p>	<p>Qualified Person definition is specific for some types of professionals in the mining industry. The QP will frequently prepare a technical report relying on reports prepared by other experts that might not meet all requirements to be recognized as QPs, such as lawyers, technicians, doctors, social analysts, economists, etc. In all these situations a disclaimer on responsibility should be acceptable.</p>
<p>115 Should we require that the technical report summary not include large amounts of technical or other project data, either in the report or as appendices to the report, as proposed? Why or why not? Should we require a qualified person to draft the technical report summary to conform, to the extent practicable, with plain English principles under the Securities Act and Exchange Act, as proposed?</p>	<p>We agree that technical summary reports should be prepared by the QPs and should not include large amounts of detailed information, either in the report or as appendices.</p>
<p>4. Requirements for Internal Controls Disclosure</p>	
<p>116 Should we require registrants to describe the internal controls that they use to help ensure the reliability of their disclosure of exploration results and estimates of mineral resources and mineral reserves, as proposed? Should we require that such internal controls disclosure address quality control and quality assurance programs, verification of analytical procedures, and comprehensive risk inherent in the estimation, as proposed? Are there other items, in addition to or in lieu of those proposed items, that should be included in such disclosure? Are there items that should be excluded from the proposed internal controls disclosure requirement? In each case, why or why not?</p>	<p>We agree with the proposed internal controls disclosure: quality control and quality assurance programs, verification of analytical procedures, and comprehensive risk inherent in the estimation. We consider that QAQC is a vital part of the MRMR process. Risk assessments are to be prepared by the QP.</p>
<p>117 REPEATED</p>	
<p>H. Conforming Changes to Certain Forms Not Subject to Regulation S-K</p>	
<p>1. Form 20-F</p>	
<p>118 Should we amend Form 20-F to conform it to the disclosure requirements of subpart 1300 of Regulation S-K and Item 601(b)(96), as proposed?</p>	<p>Yes</p>

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119 Should foreign private issuers that use or refer to Form 20-F for their SEC filings be subject to the same mining disclosure requirements as domestic mining registrants, as proposed? Why or why not?	Yes
120 Should we continue to permit Canadian issuers to provide disclosure under NI 43-101, as they are currently allowed to do pursuant to the foreign or state law exception, as an alternative to providing disclosure under the proposed rules? If so, what would be the justification for such differential treatment?	No, even though the NI43-101 is well known as a robust system that is widely recognized and relied upon by investors globally, if permitted, the Canadian issuers will present a report that will be not comparable with other issuers.
2. Form 1-A (pág 169)	
121 Should we amend Form 1-A to require Regulation A issuers engaged in mining operations to refer to, and if required, provide the disclosure under subpart 1300 of Regulation S-K, in addition to any disclosure required by Item 8 of that Form, as proposed? Why or why not? Alternatively, should the disclosure requirements in proposed subpart 1300 apply to only some Regulation A issuers (e.g., Regulation A issuers in Tier 2 offerings)? Should we instead exempt all Regulation A issuers from the proposed subpart 1300 disclosure requirements?	Yes, all mineral technical disclosure should fall under the same rules for consistency purposes.
122 In lieu of imposing full subpart 1300 disclosure requirements on Regulation A issuers, should we limit, in whole or in part, the proposed subpart 1300 disclosure requirements for issuers in Regulation A offerings? If so, should these requirements be limited only for issuers in Tier 1 offerings? Why or why not? Further, which provisions of proposed subpart 1300 should, and should not, apply to issuers in Regulation A offerings? For example, should we require compliance with Item 1302's requirement to file the technical report summary as an exhibit only in Tier 2 offerings?	see above
123 Would limiting disclosure of the information required under proposed subpart 1300 for issuers in Regulation A offerings increase the risk of inaccurate disclosure in such offerings or otherwise increase risks to investors?	no comments
IV. ECONOMIC ANALYSIS	
124 We seek comment and data on the magnitude of the costs and benefits identified as well as any other costs and benefits that may result from the adoption of the proposed rules. In addition, we are interested in views regarding these costs and benefits for particular types of covered registrants, such as smaller registrants or registrants currently reporting according to CRIRSCO-based disclosure codes.	no comments

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<p>125 We seek information that would help us quantify compliance costs. In particular, we invite comment from registrants or other mining companies that have had experience reporting under any of the CRIRSCO-based disclosure codes. For example, what are the costs associated with the qualified person requirement? If reporting in Canada or Australia, what are the costs associated with producing and filing the technical report summaries?</p>	no comments
<p>126 We invite comment on the structure of compliance costs. In particular, to what extent are the compliance costs fixed versus variable? Are there scale advantages or disadvantages in the compliance costs, both in terms of project size or company size?</p>	no comments
<p>127 Are our estimates of the difference in costs of a pre-feasibility study relative to a feasibility study reasonable? If not, what would be more reasonable estimates of the difference in costs?</p>	no comments
<p>128 We also seek comment on the alternatives to the proposed rules discussed in this section, and to the costs and benefits of each alternative. Are there any other alternatives that we should consider in lieu of the proposed rules? If so, what are those alternatives and what are their expected costs and benefits?</p>	no comments
<p>129 We are interested in comments and data related to any potential competitive effects from the proposed rules. In particular, we are interested in evidence and views on the current global competitive situation of U.S. mining registrants as well as the attractiveness of U.S. securities markets for foreign mining companies. To what extent does the current mining disclosure regime affect this competitive situation, if at all? Would the proposed rules improve the global competitiveness of U.S. mining registrants and securities markets? If so, how?</p>	no comments