



Chamber of Mines – Membership Study 2005 Changes to the Quartz Mining Act FINAL REPORT

Methodology

A survey, designed in consultation with the Chamber of Mines, was distributed to 290 members via the Chamber's newsletter in late Spring 2005. They were able to return the surveys via mail, fax or complete the survey online. Staff of the Chamber entered the survey results for all completed forms returned to them. In total, 24% returned the survey.

The original sample universe consisted of 43% CM (Commercial) members, and 57% IM (Individual) members. The final completed surveys had 41% CM and 59% IM. Therefore, no data weighting was done. With a sample universe of 290 and 70 completed surveys, the margin of error on the total is +/- 10 (95% confidence). Because the margin of error on the membership types is quite high (16% on CM and 13% on IM) comments in the report are qualitative in nature on those groups.

Member Profile

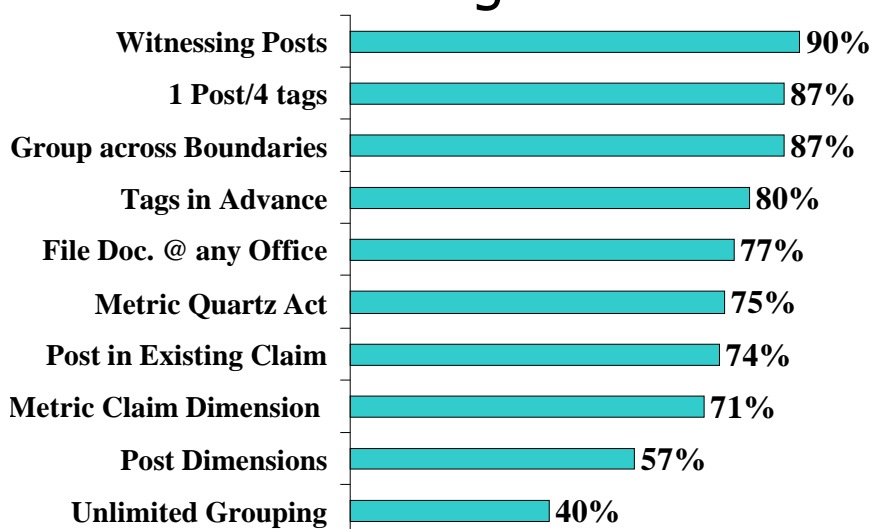
While on average, 56% of members resided in the Yukon and 32% are representatives of Junior mining companies, this is significantly different for CM and IM members. Among IM members, 79% are in the Yukon and 39% are Prospectors, (28% are contract geoscientists, 15% are representative of Junior mining companies, and 13% work for the government). For CM members, 75% live Outside, and 55% are representative of junior mining companies (17% are representatives of senior mining companies, 7% are NGO – non-govt. organizations, and 7% are prospectors).

Work is typically physically staking claims (67%), own mineral properties in the Yukon (65%), contract claim staking in the Yukon (52%) and providing contract mining and exploration services (43%). Staking claims, providing contracting service and lobbying is higher for IM members.

Proposed Options for Change

Seven different areas were presented in a consistent format, beginning with a brief review of the current situation and an optional solution. Respondents had the option for staying with the current option, selecting the alternative option or having no opinion on the issue. For the all questions, at least 90% selected either the current or alternative option, and all options, except of unlimited grouping, had significant support for changes.

Support for Quartz Mining Act Changes



There were only minor differences between the Individual (IM) members and the Commercial (CM) members:

- CM members were less support than IM members to allow for the location of a post within an existing claim (69% vs. 78%) although the majority were still in support of the change.
- IM members were slightly less supportive of allowing documents pertaining to claims to be filed at any Mining recorders office in the Yukon, regardless of where they are located (73% vs. 83%) – again, both groups are still supportive of the change.
- IM members are also less supportive of allowing an unlimited group, contiguous by a single owner (34% vs. 48%). Among the IM group, the next popular option was to switch to a larger group up to 100 (27%).

1. Leading support was for:

Currently there is no provision for witnessing a #1 Post. In the event that a #1 Post were to be located in an inaccessible area (such as a waterbody or steep slope), there is no way to properly stake a claim. Witnessing would allow posts to be placed in an accessible area and allow ground to be staked. *Would allow witnessing of posts.*

90% of all members supported this change

2. Followed by:

Currently, at the junction of 4 mineral claims a post needs to be erected for each of the 4 claims (therefore 4 posts every 1500 feet). Would prefer to be *allowed to erect 1 post and affix 4 tags to that post*

And

Currently claims cannot be grouped across mining district boundaries, even though they are contiguous. *Would like to explore the feasibility of grouping claims across mining district boundaries.*

87% support

3. Also strong support for:

Currently, metal claim tags are issued only after a claim is staked and granted. The staker then goes back to the area to affix the tags at a later date. *Would prefer to receive tags before going to stake claims.*

80% support

Currently documents pertaining to claims must be filed in the Mining Records Office in the district where the claims are located. Would prefer to allow documents to be filed at any of the Mining Records offices in the territory, regardless of where they are located.

77% support

Would you like to see the whole Quartz Mining Act (including schedules and recommendation) converted to metric

75% support

Currently, neither the #1 Post or the # 2 Post of a claim can be erected within an existing claim. Other jurisdictions allow for the location of a post within an existing claim, however the new claim includes only the ground that is not held by the pre-existing claim(s). Would prefer be allowed to locate posts within existing claims.

74% support

4. More contentious issues:

Currently claim post dimensions are 4 x 4 inches x 4 feet tall. Other jurisdictions in Canada allow for smaller claims posts. Would prefer to reduce claim post size to 2x2 inches by 4 feet tall.

57% support

When filing assessment work, a maximum claim grouping is currently adjoining claims not exceeding 16 in number. Would prefer to:

➤ switch to unlimited grouping of all contiguous claims by a single owner

40% support

➤ switch to larger group up to 100

24% support

➤ switch to larger group up to 250

14% support

➤ Keep the current practice of 16 claims per group

9% support

Claim Dimensions

Strong support to switch to claim dimensions to metric (71%. Slightly higher among CM – 76% vs. IM 68%)

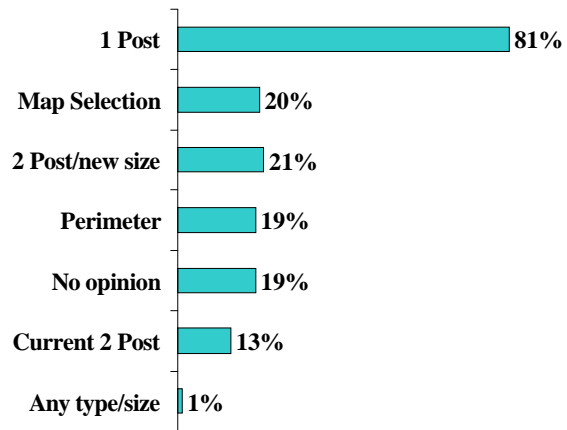
The size with the greatest support is 500 X 500 (71%)

Claim Size and Staking Procedures

Respondents had 27 different options to select, and 2 choices – most preferred and second most preferred. Combining all responses shows:

- ◆ The One Post system is preferred over other staking procedures. 81% selected a One Post system as either their first or second preference.
- ◆ The next closest methods are the Current method (21%), Map selection (21%), Perimeter (19%) and no opinion (19%).

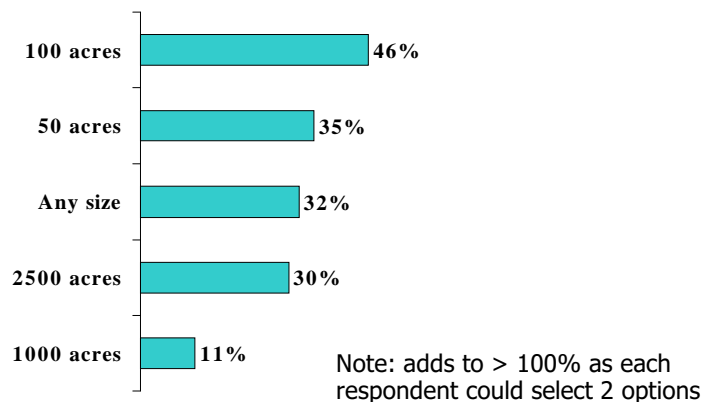
Claim Size and Staking Procedures – Total Mentions



Size Options within the One Post System

Within the One Post System, 100 acres is slightly more popular (30%) than 50 acres (23%) or any size (21%) or 2500 acres (19%).

Claim Size among those selecting 1 Post Sizes – Total Mentions



Changing the ACT

Opening up the Quartz Mining Act for Substantive Changes would involve full public consultation. Would you like to see the Quartz Mining Act opened up to allow these and other changes?

57% support.

26% do not support – but of these 4 had comments indicating they may approve of opening the Act.

“Make only incremental amendments to Act. Highest priority is map staking. This wouldn't require review of entire Act, but is a substantial effort to set up. Once that change is made and discussed, look at other changes.

With YESAA coming, delete the MLUR regs, as they will be unnecessary. GET MAP STAKING BEFORE ANYTHING ELSE.”

“Employ sliding scale for registering claims. One claim takes as much time to register as 100. If person registers all his claims at once give them a discount on initial registering fees as it saves time and money for everyone. i.e. encourage people to plan out their staking instead of staking one or two claims at a time.”

“Only open up Quartz Act for simple "House Keepin" Items such as using a common Post, Tags provided @ \$2.00/ each before hand and grouping to up to 100 claims, witnessing.”

“be verrrrrry careful....”

17% marked no opinion – but 4 of these indicated they would support it will limitations or had suggestions to its implications. Comments included:

“Allow a 2 yr max exploration license bounded by lat/long to max 100,000 ha, surrender say 50% after 1 yr, further 50% after 2yr, then stake desired area.”

“It would be nice to have above suggestions incorporated into regulations so they could be later modified without opening up the act. I would worry most about losing free entry.”

“How about entertaining the idea of creating a software project that: 1) explains the Act both in text and graphically- laying out procedures, 2) Simplifies graphically the grouping rules and procedure through a useable software mechanism. i.e.) power point presentation”

“Re: 14 above and intro letter- the 1924 Act has been gutted already with "Part 2" As long as free entry is maintained and ground staking no real harm can ensue, grouping has got to change. Staking is much much more complicated and EXPENSIVE in the entire Western US (+ Alaska) the two post system is great by comparison, and yet companies flock to NV + AK. We don't need map staking to attract investment.”

This would reflect that up to 68% could support a review.

Support for Opening the Quartz Mining Act

