

About The Fraser Institute

Our vision is a free and prosperous world where individuals benefit from greater choice, competitive markets, and personal responsibility. Our mission is to measure, study, and communicate the impact of competitive markets and government interventions on the welfare of individuals.

Founded in 1974, we are an independent research and educational organization with offices in Vancouver, Calgary, and Toronto, and international partners in over 70 countries. Our work is financed by tax-deductible contributions from thousands of individuals, organizations, and foundations. In order to protect its independence, the Institute does not accept grants from government or contracts for research.

Acknowledgements

We would like to thank the hundreds of members of the mining community who have responded to the survey this year and in previous years. You do a service to your industry by providing such valuable information.

We would also like to thank the Prospectors and Developers Association of Canada (PDAC), whose generous support makes this survey possible. We would also like to thank institute Executive Director Michael Walker and Laura Jones for conceptualizing this project nine years ago.

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Survey Information

The Fraser Institute Annual Survey of Mining Companies was sent to approximately 3,000 exploration, development, and mining consulting companies around the world. The survey represents responses from 333 of those companies. The companies participating in the survey reported exploration spending of US\$1.02 billion in 2006 and of US\$644 million in 2005. Thus, survey respondents represent 14.5 percent of total global exploration of US\$7.13 billion in 2006 and 12.6 percent of US\$5.1 billion in 2005 as reported by the Metals Economics Group.

Executive Summary—2006/2007 Mining Survey

Since 1997, The Fraser Institute has conducted an annual survey of metal mining and exploration companies to assess how mineral endowments and public policy factors such as taxation and regulation affect exploration investment. Survey results represent the opinions of executives and exploration managers in mining and mining consulting companies operating around the world. The survey now covers 65 jurisdictions around the world, on every continent except Antarctica, including sub-national jurisdictions in Canada, Australia, and the United States. This year, Colombia was added to the survey.

Focus on News

Overview

The Policy Potential Index (PPI) is a composite index, measuring the overall policy attractiveness of the 65 jurisdictions in the survey. The PPI is normalized to maximum score of 100. A jurisdiction that ranks first in every policy area would have a score of 100; one that scored last in every category would have a score of 0. Since no nation scored first in all categories or last in all, the highest score is 93.1 (Manitoba), while the lowest score is 2.9 (Zimbabwe).

Manitoba ends Nevada's six-year run at the top of the PPI. Nonetheless, Nevada remains highly ranked, in third place with 89.3. The other top-10 policy jurisdictions are Alberta, Utah, South Australia, New Brunswick, Quebec, Queensland, Tasmania, and Saskatchewan.

Zimbabwe's last place score of 2.4 last year was the lowest score ever recorded in the PPI. This year Zimbabwe's last place score was 2.9, the second lowest in the history of the PPI. Other bottom scorers were Venezuela, Bolivia, Mongolia, the Philippines, Papua New Guinea, Kazakhstan, Russia, DRC Congo, and Indonesia.

Chile: The big story

The headline news in this year's survey is the significant decline of Chile in various rankings, as reflected in the PPI. Last year, Chile ranked 3rd in the PPI with a composite score of 87 out of a possible 100. This year, Chile fell to 27th, with a score of 64. Most worryingly, of the 12 policy areas examined in the survey, Chile suffered its biggest declines in the areas of political stability and security.

Chile's decline can also be seen in the "Room to Improve" figure. This figure measures the difference between the attractiveness of a jurisdiction under its current policy regime and under a "best practices" regime. Last year, Chile scored about the same response on the "current" and the "best practices" question, indicating that most miners felt Chile was close to or at best practices. This year, there was a 9.2 percent gap.

Mongolia: Unfortunate developments

Seldom, if ever, has the mining survey received as many negative notes about one jurisdiction as it has this year about Mongolia. As the president of one producer company put it: “Mongolia has literally overnight changed policy from one of openness to one that heavily penalizes foreign owned mines.”

Last year in the PPI, Mongolia had only a middling rank and score, ranking 33rd out of 64 with a score of 54 out of 100. But this year, Mongolia’s position collapsed, coming in at 62nd out of 65 with a score of 11 out of 100.

Colombia: The survey’s new entrant

This year we added Colombia to the survey. In the past, the mining community has expressed little interest in having Colombia in the survey. This was likely because Colombia was perceived as too unstable and dangerous to attract much interest. However, Colombia’s government has made large strides in improving security and battling criminal gangs and guerillas.

Despite that, Colombia’s score on the PPI was quite low, 25 out of a possible 100, with a ranking of 55th out of 65. Nonetheless, it is far ahead of Bolivia and Venezuela and not too far behind Peru and Ecuador, both of which had scores of 30. After years of turmoil and bad publicity, it is hardly surprising that Colombia entered the survey at a low level. The key questions will be whether Colombia’s improving situation holds into the future and whether the country gains the trust of the mining community.

British Columbia stabilizes

The Fraser Institute is headquartered in British Columbia and this survey was originally motivated in 1997 by the failure of mining policy in that province. Over the first years of the survey, British Columbia was either at or near the bottom in mining policy.

Several years ago, mining policy in British Columbia began to change. However, this resulted in only slow changes in British Columbia’s position in the survey since it takes time for the mining community to gain trust that improvements will endure. Two years ago was the first time since the survey’s inception that British Columbia had not scored in the bottom 10 of the PPI, though it remained in the bottom third. In last year’s survey, British Columbia ranked in the top half and was a couple of positions away from the top third.

This year’s report represents the first time since the 2001/2002 survey that British Columbia has not marked an improvement in its score or rank. Its score at 61 out of 100 is almost identical to last year’s score of 62, though it did decline in the rankings from 23rd to 30th. This makes British Columbia the lowest ranked of the Canadian provinces, though above the Northwest Territories and Nunavut.

Survey Background

Since 1997, The Fraser Institute has conducted an annual survey of metal mining and exploration companies to assess how mineral endowments and public policy factors such as taxation and regulation affect exploration investment. Survey results represent the opinions of executives and exploration managers in mining and mining consulting companies operating around the world. The survey now covers 65 jurisdictions around the world, on every continent except Antarctica, including sub-national jurisdictions in Canada, Australia, and the United States. This year, Colombia was added to the survey.

The idea to survey mining companies about how government policies and mineral potential affect new exploration investment came from a Fraser Institute conference on mining held in Vancouver, Canada, in the fall of 1996. The comments and feedback from the conference showed that the mining industry was dissatisfied with government policies that deterred exploration investment within the mineral-rich province of British Columbia. Since many regions around the world have attractive geology and competitive policies, and given the increasing opportunities to pursue business ventures globally, many conference participants expressed the view that it was easier to explore in jurisdictions with attractive policies than to fight for better policies elsewhere. The Fraser Institute launched the survey to examine which jurisdictions are providing the most favourable business climates for the industry, and in which areas certain jurisdictions need to improve.

The effects of increasingly onerous, seemingly capricious regulations, uncertainty about land use, higher levels of taxation, and other policies that interfere with market conditions are rarely felt immediately, as they are more likely to deter companies looking for new projects than they are to shut down existing operations. We felt that the lack of accountability that stems from 1) the lag time between when policy changes are implemented and when economic activity is impeded and job losses occur and 2) industry's reluctance to be publicly critical of politicians and civil servants, needed to be addressed.

In order to address this problem and assess how various public policy factors influence companies' decisions to invest in different regions, The Fraser Institute began conducting an anonymous survey of senior and junior companies in 1997. The first survey included all Canadian provinces and territories.

The second survey, conducted in 1998, added 17 US states, Mexico, and for comparison with North American jurisdictions, Chile. The third survey, conducted in 1999, was further expanded to include Argentina, Australia, Peru, and Nunavut. The survey now includes 65 jurisdictions, from all continents except Antarctica. Colombia was added this year.

We add countries to the list based on the interests expressed by survey respondents, and have noticed that these interests are becoming increasingly global. In recognition of the fact that jurisdictions are no longer competing only with the policy climates of their immediate neighbours, but with jurisdictions around the world, we think it is important to continue publishing and publicizing the

results of the survey annually, and to make the results available and accessible to an increasingly global audience.

This year we have added a new question, asking respondents about the value of a selection of jurisdictions already in the survey and potential new additions. (Please see Tables 16a and 16b in the appendix.) The question revealed a high level of satisfaction with our current selection of jurisdictions, though we will be using the information to add several new jurisdictions next year.

Summary Indexes

Policy Potential Index: A “Report Card” to Governments on the Attractiveness of their Mining Policies

While geologic and economic evaluations are always requirements for exploration, in today’s globally competitive economy where mining companies may be examining properties located on different continents, a region’s policy climate has taken on increased importance in attracting and winning investment. The Policy Potential Index serves as a report card to governments on how attractive their policies are from the point of view of an exploration manager.

The Policy Potential Index is a composite index that measures the effects on exploration of government policies including uncertainty concerning the administration, interpretation, and enforcement of existing regulations; environmental regulations; regulatory duplication and inconsistencies; taxation; uncertainty concerning native land claims and protected areas; infrastructure; socioeconomic agreements; political stability; labour issues; geological database; and security.

The Policy Potential Index (PPI) is based on ranks and normalized to maximum score of 100. A jurisdiction that ranks first in every category would have a score of 100; one that scored last in every category would have a score of 0. Since no nation scored first in all categories or last in all, the highest score is 93.1 (Manitoba), while the lowest score is 2.9 (Zimbabwe).

Manitoba ends Nevada’s six-year run at the top of the PPI. Nonetheless, Nevada remains highly ranked, in third place with 89.3. The other top-10 policy jurisdictions are Alberta, Utah, South Australia, New Brunswick, Quebec, Queensland, Tasmania, and Saskatchewan. Six of these jurisdictions were in the top 10 last year and only one, Queensland, was not in the top 20 (see table 1).

Zimbabwe’s last place score of 2.4 last year was the lowest score ever recorded in the PPI. This year Zimbabwe’s last place score was 2.9, the second lowest in the history of the PPI. Other bottom scorers were Venezuela, Bolivia, Mongolia, the Philippines, Papua New Guinea, Kazakhstan, Russia, DRC Congo, and Indonesia. California and Zambia have risen out of the bottom 10 from last year but remain in the bottom 20. Mongolia and Kazakhstan are the new entrants in the bottom 10.

Figure I: Policy Potential Index

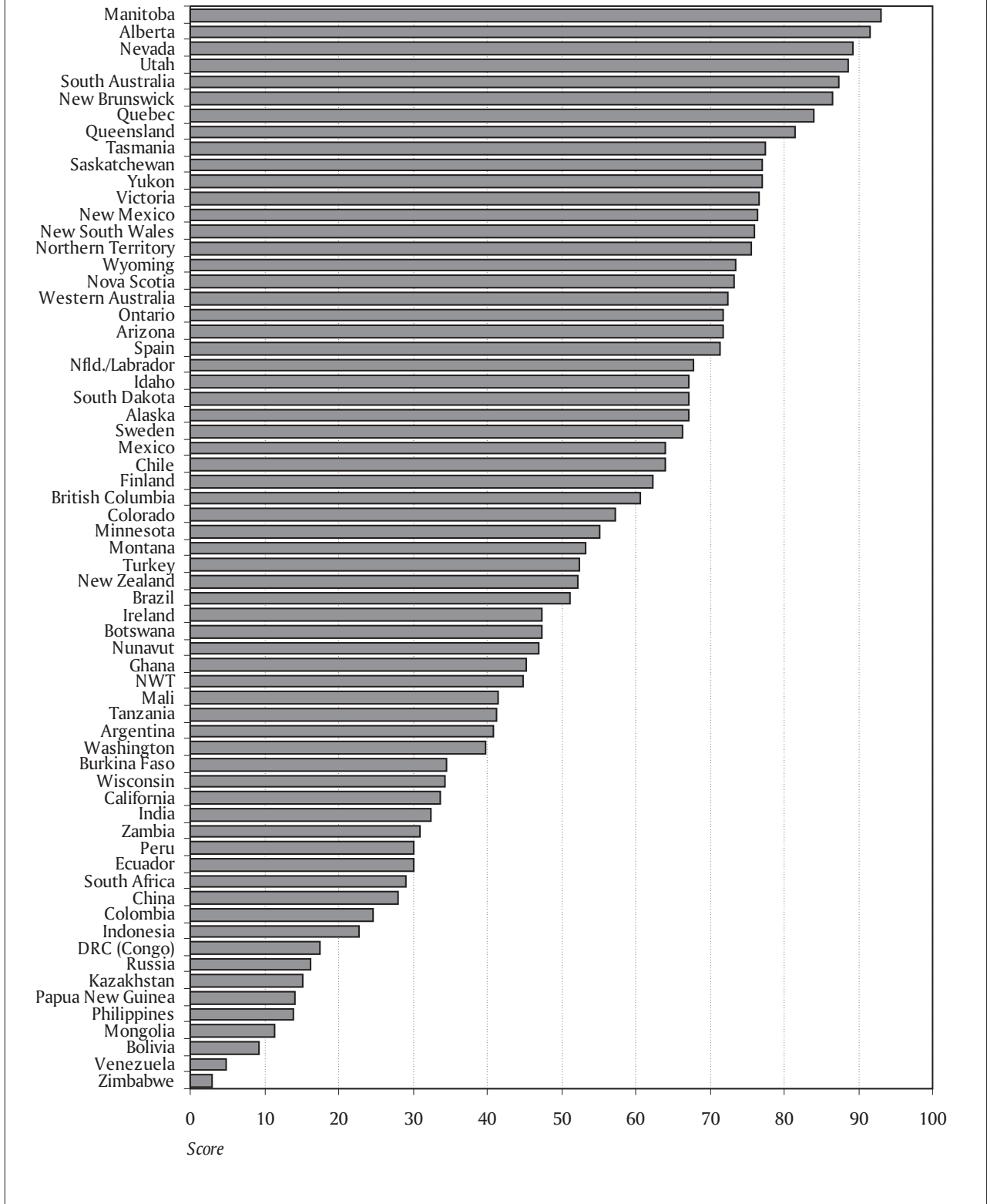


Table I: Policy Potential

		Score				Rank			
		2006/ 2007	2005/ 2006	2005/ 2004	2004/ 2003	2006/ 2007	2005/ 2006	2005/ 2004	2004/ 2003
Canada	Alberta	92	92	78	81	2/65	2/64	9/64	7 /53
	British Columbia	61	62	41	30	30/65	23/64	44/64	45 /53
	Manitoba	93	88	89	82	1/65	3/64	3/64	6 /53
	New Brunswick	86	67	73	73	6/65	18/64	16/64	13 /53
	Nfld./Lab.	68	45	50	43	22/65	39/64	35/64	34 /53
	Nova Scotia	73	51	57	63	17/65	35/64	30/64	18 /53
	Nunavut	47	27	36	42	39/65	53/64	48/64	36 /53
	NWT	45	29	36	38	41/65	52/64	49/64	38 /53
	Ontario	72	78	78	72	20/65	9/64	8/64	16 /53
	Quebec	84	86	78	80	7/65	5/64	7/64	8 /53
	Saskatchewan	77	81	79	79	10/65	7/64	5/64	9/53
Yukon	77	66	51	45	11/65	21/64	34/64	33 /53	
United States	Alaska	67	70	52	57	24/65	13/64	33/64	22 /53
	Arizona	72	79	76	51	19/65	8/64	11/64	30 /53
	California	34	25	27	15	48/65	55/64	55/64	52 /53
	Colorado	57	33	44	29	31/65	49/64	41/64	46 /53
	Idaho	67	60	74	54	23/65	27/64	13/64	27 /53
	Minnesota	55	34	59	32	32/65	48/64	28/64	44 /53
	Montana	53	32	37	27	33/65	50/64	47/64	47 /53
	Nevada	89	93	95	89	3/65	1/64	1/64	1 /53
	New Mexico	76	52	59	53	13/65	34/64	29/64	29 /53
	South Dakota	67	43	48	34	25/65	40/64	37/64	41 /53
	Utah	89	75	81	55	4/65	10/64	4/64	26 /53
	Washington	40	30	35	26	45/65	51/64	51/64	48 /53
	Wisconsin	34	26	26	15	47/65	54/64	56/64	52 /53
Wyoming	73	65	67	54	16/65	22/64	21/64	27 /53	
Australia	New South Wales	76	71	68	83	14/65	12/64	19/64	3 /53
	Northern Territory	76	66	62	74	15/65	20/64	25/64	12 /53
	Queensland	81	60	71	79	8/65	29/64	18/64	9 /53
	South Australia	87	69	74	83	5/65	14/64	15/64	3 /53
	Tasmania	77	67	77	83	9/65	15/64	10/64	3 /53
	Victoria	77	59	63	73	12/65	30/64	23/64	13 /53
	Western Australia	72	73	74	73	18/65	11/64	12/64	13 /53

Table I: Policy Potential

		Score				Rank			
		2006/ 2007	2005/ 2006	2005/ 2004	2004/ 2003	2006/ 2007	2005/ 2006	2005/ 2004	2004/ 2003
Oceania	Indonesia	23	22	12	23	56/65	59/64	62/64	50 /53
	New Zealand	52	40	60	57	35/65	43/64	27/64	22 /53
	Papua New Guinea	14	12	25	*	60/65	63/64	57/64	*
	Philippines	14	18	24	20	61/65	60/64	58/64	51 /53
Africa	Botswana	47	49	35	*	38/65	36/64	50/64	*
	Burkina Faso	35	45	42	*	46/65	38/64	43/64	*
	DRC (Congo)	17	13	11	34	57/65	62/64	63/64	41 /53
	Ghana	45	61	60	47	40/65	26/64	26/64	32 /53
	Mali	41	57	42	*	42/65	31/64	42/64	*
	South Africa	29	45	32	43	53/65	37/64	53/64	34 /53
	Tanzania	41	41	56	*	43/65	41/64	31/64	*
	Zambia	31	24	38	*	50/65	57/64	46/64	*
Zimbabwe	3	2	8	26	65/65	64/64	64/64	48 /53	
Latin America	Argentina	41	62	44	58	44/65	24/64	40/64	21 /53
	Bolivia	9	24	20	57	63/65	56/64	60/64	22 /53
	Brazil	51	66	47	79	36/65	19/64	38/64	9 /53
	Chile	64	87	74	85	27/65	4/64	14/64	2 /53
	Colombia	25	*	*	*	55/65	*	*	*
	Ecuador	30	34	38	*	51/65	47/64	45/64	*
	Mexico	64	84	71	63	28/65	6/64	17/64	18 /53
	Peru	30	38	46	61	52/65	44/64	39/64	20 /53
	Venezuela	5	13	21	34	64/65	61/64	59/64	41 /53
Eurasia	China	28	40	49	50	54/65	42/64	36/64	31 /53
	Finland	62	67	62	*	29/65	17/64	24/64	*
	India	32	35	68	42	49/65	45/64	20/64	36 /53
	Ireland	47	67	94	72	37/65	16/64	2/64	16 /53
	Kazakhstan	15	35	30	38	59/65	46/64	54/64	38 /53
	Mongolia	11	54	33	*	62/65	33/64	52/64	*
	Russia	16	23	17	35	58/65	58/64	61/64	40 /53
	Spain	71	60	78	*	21/65	28/64	6/64	*
	Sweden	66	56	64	*	26/65	32/64	22/64	*
	Turkey	52	62	55	57	34/65	25/64	32/64	22/53

* = The jurisdiction was not in the survey that year.

Current Mineral Potential Index

The next figure and table, Current Mineral Potential, is based on respondents' answers to the question about whether or not a jurisdiction's mineral potential under the current policy environment encourages or discourages exploration.

Obviously this takes into account mineral potential, meaning that some jurisdiction, which rank high in the policy potential index but have limited hard mineral potential will rank lower in the "Current Mineral Potential Index," while jurisdictions with a weak policy environment but strong mineral potential will do better. Nonetheless, there is considerable overlap between this index and the Policy Potential Index, perhaps partly because good policy will encourage exploration, which in turn will increase the known mineral potential.

Nevada, Quebec, Western Australia, South Australia, Queensland, the Northern Territory, Ontario, Chile, Alberta, and Alaska hold the top 10 slots. All scored strongly last year and six were in last year's top 10, with Alberta, Alaska, Queensland, and the Northern Territories as the newcomers. Mongolia, Mali, Ghana, and Mexico fell out of the top 10. Ghana and Mexico remain in the top 20, while Mali fell to 31. Mongolia has fallen into the bottom 10, doubtless due to what the mining community perceives as a precipitous fall in its current regulatory environment, as discussed later.

Not surprisingly, with the exception of Mongolia, the jurisdictions at the bottom of the list are also consistent with last year's poor performers—and in most cases with poor performers in the Policy Potential Index. The bottom 10 are Zimbabwe, Washington, California, Russia, Wisconsin, Minnesota, Venezuela, Mongolia, DRC (Congo), and South Dakota. The newcomers, aside from Mongolia, are Russia, which has also fallen considerably from last year, and South Dakota, which just escaped the bottom 10 in last year's index. Table 2 provides more precise information and the recent historical record.

Best Practices Mineral Potential Index

Figure 3 shows the mineral potential of jurisdictions, assuming their policies are based on "best practices." In other words, this figure represents, in a sense, a jurisdiction's "pure" mineral potential since it assumes a "best practices" policy regime. Thus, figure 3 reveals some stark differences with the first two figures. Indonesia, for example, has the third worst policy environment, but would rank in the world's top 10 in investment attractiveness under a "best policy" regime.

From a purely mineral perspective, the most appealing jurisdictions are Canada's Northwest Territories, Brazil, Alaska, Western Australia, Ontario, Quebec, Nunavut, Northern Territory, Nevada, and Papua New Guinea. All scored highly last year.

The least appealing jurisdictions are Ireland, South Dakota, Spain, Zimbabwe, Wisconsin, California, Sweden, Wyoming, New Zealand, and Washington. Not surprisingly, with one exception, there is a large correspondence between these rankings and rankings in previous years. Zimbabwe has

**Figure 2: Current Mineral Potential—Assuming Current Regulations/
Land Use Restrictions**

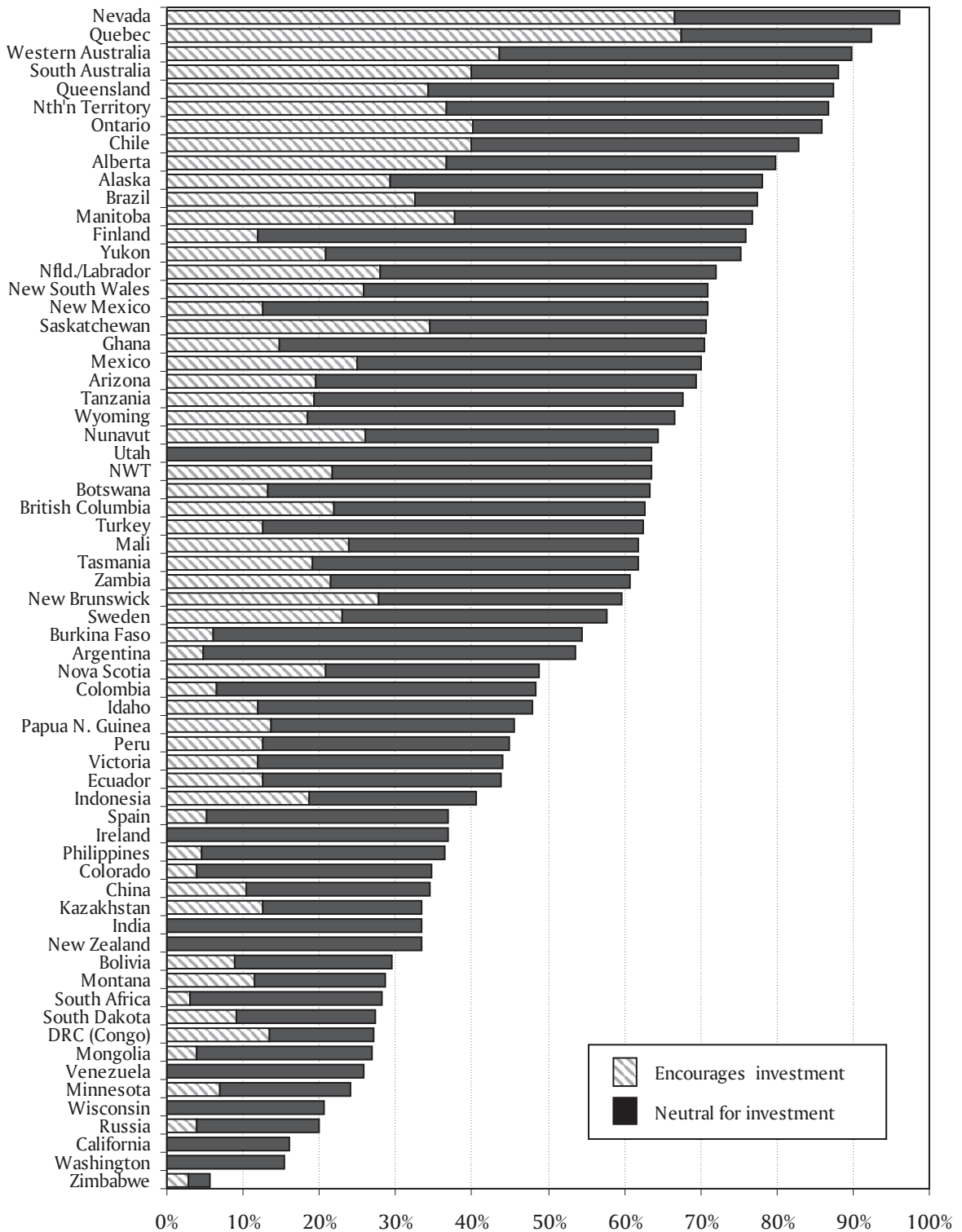


Table 2: Mineral Potential Assuming Current Regulations/Land Use Restrictions

		Score				Rank			
		2006/ 2007	2005/ 2006	2005/ 2004	2004/ 2003	2006/ 2007	2005/ 2006	2005/ 2004	2004/ 2003
Canada	Alberta	0.80	0.62	0.55	0.49	9/65	21/64	36/64	37 /53
	British Columbia	0.63	0.50	0.49	0.49	28/65	37/64	48/64	38 /53
	Manitoba	0.77	0.70	0.79	0.82	12/65	15/64	14/64	10 /53
	New Brunswick	0.60	0.40	0.57	0.58	33/65	45/64	35/64	28 /53
	Nfld./Lab.	0.72	0.56	0.61	0.68	15/65	29/64	32/64	16 /53
	Nova Scotia	0.49	0.27	0.49	0.46	37/65	54/64	49/64	41 /53
	Nunavut	0.64	0.49	0.70	0.63	24/65	38/64	21/64	22 /53
	NWT	0.64	0.47	0.62	0.67	26/65	39/64	31/64	18 /53
	Ontario	0.86	0.77	0.82	0.87	7/65	9/64	10/64	6 /53
	Quebec	0.93	0.89	0.89	0.91	2/65	4/64	3/64	3 /53
	Saskatchewan	0.71	0.73	0.62	0.65	18/65	12/64	30/64	21 /53
	Yukon	0.75	0.53	0.47	0.67	14/65	31/64	52/64	19 /53
United States	Alaska	0.78	0.50	0.43	0.57	10/65	34/64	55/64	29 /53
	Arizona	0.69	0.67	0.48	0.47	21/65	17/64	50/64	40 /53
	California	0.16	0.10	0.16	0.11	63/65	63/64	64/64	53 /53
	Colorado	0.35	0.04	0.24	0.19	48/65	64/64	60/64	50 /53
	Idaho	0.48	0.36	0.53	0.29	39/65	48/64	41/64	47 /53
	Minnesota	0.24	0.20	0.29	0.31	60/65	58/64	58/64	46 /53
	Montana	0.29	0.28	0.22	0.24	54/65	52/64	62/64	49 /53
	Nevada	0.96	0.90	0.96	0.90	1/65	2/64	1/64	4 /53
	New Mexico	0.71	0.50	0.50	0.41	17/65	35/64	47/64	43 /53
	South Dakota	0.27	0.30	0.36	0.38	56/65	51/64	57/64	45 /53
	Utah	0.64	0.59	0.64	0.57	25/65	25/64	26/64	31 /53
	Washington	0.15	0.19	0.21	0.16	64/65	59/64	63/64	51 /53
	Wisconsin	0.21	0.16	0.25	0.14	61/65	60/64	59/64	52 /53
	Wyoming	0.67	0.57	0.58	0.50	23/65	26/64	34/64	36 /53
Australia	New South Wales	0.71	0.61	0.79	0.72	16/65	23/64	13/64	15 /53
	Northern Territory	0.87	0.60	0.84	0.85	6/65	24/64	8/64	8 /53
	Queensland	0.88	0.65	0.81	0.89	5/65	19/64	11/64	5 /53
	South Australia	0.88	0.83	0.76	0.77	4/65	6/64	18/64	12 /53
	Tasmania	0.62	0.67	0.86	0.66	30/65	18/64	6/64	20 /53
	Victoria	0.44	0.52	0.68	0.59	42/65	33/64	23/64	26 /53
	Western Australia	0.90	0.74	0.87	0.94	3/65	10/64	4/64	1 /53

Table 2: Mineral Potential Assuming Current Regulations/Land Use Restrictions

		Score				Rank			
		2006/ 2007	2005/ 2006	2005/ 2004	2004/ 2003	2006/ 2007	2005/ 2006	2005/ 2004	2004/ 2003
Oceania	Indonesia	0.41	0.45	0.53	0.55	44/65	42/64	43/64	33 /53
	New Zealand	0.33	0.38	0.47	0.57	51/65	46/64	53/64	30 /53
	Papua New Guinea	0.45	0.31	0.60	*	40/65	50/64	33/64	*
	Philippines	0.36	0.47	0.44	0.40	47/65	40/64	54/64	44 /53
Africa	Botswana	0.63	0.73	0.67	*	27/65	11/64	25/64	*
	Burkina Faso	0.55	0.71	0.54	*	35/65	14/64	38/64	*
	DRC (Congo)	0.27	0.25	0.50	0.56	57/65	56/64	46/64	32 /53
	Ghana	0.71	0.81	0.76	0.86	19/65	7/64	17/64	7 /53
	Mali	0.62	0.86	0.80	*	31/65	5/64	12/64	*
	South Africa	0.28	0.57	0.54	0.59	55/65	27/64	37/64	25 /53
	Tanzania	0.68	0.50	0.77	*	22/65	36/64	16/64	*
	Zambia	0.61	0.27	0.53	*	32/65	53/64	40/64	*
Zimbabwe	0.06	0.13	0.22	0.44	65/65	62/64	61/64	42 /53	
Latin America	Argentina	0.54	0.70	0.63	0.75	36/65	16/64	29/64	13 /53
	Bolivia	0.29	0.38	0.48	0.67	53/65	47/64	51/64	17 /53
	Brazil	0.78	0.72	0.83	0.78	11/65	13/64	9/64	11 /53
	Chile	0.83	0.96	0.94	0.92	8/65	1/64	2/64	2 /53
	Colombia	0.48				38/65			
	Ecuador	0.44	0.22	0.52	*	43/65	57/64	44/64	*
	Mexico	0.70	0.81	0.87	0.75	20/65	8/64	5/64	14 /53
	Peru	0.45	0.43	0.74	0.83	41/65	43/64	19/64	9 /53
	Venezuela	0.26	0.26	0.42	0.48	59/65	55/64	56/64	39 /53
Eurasia	China	0.34	0.34	0.72	0.61	49/65	49/64	20/64	23 /53
	Finland	0.76	0.61	0.84	*	13/65	22/64	7/64	*
	India	0.33	0.43	0.50	0.24	52/65	44/64	45/64	48 /53
	Ireland	0.37	0.15	0.54	0.58	45/65	61/64	39/64	27 /53
	Kazakhstan	0.33	0.56	0.64	0.59	50/65	28/64	27/64	24 /53
	Mongolia	0.27	0.89	0.78	*	58/65	3/64	15/64	*
	Russia	0.20	0.56	0.53	0.50	62/65	30/64	42/64	34 /53
	Spain	0.37	0.47	0.69	*	46/65	41/64	22/64	*
	Sweden	0.58	0.53	0.68	*	34/65	32/64	24/64	*
	Turkey	0.63	0.65	0.63	0.50	29/65	20/64	28/64	35 /53

* = The jurisdiction was not in the survey that year.

fallen considerably, perhaps because its record-setting bad policy environment is influencing even opinions of mineral potential.

Table 3 provides more precise information and the recent historical record.

Room for improvement

Figure 4 is one of the most revealing in this study. It subtracts each jurisdiction's score for mineral potential under "best practices" from mineral potential under "current" regulations. To understand the meaning of this figure, consider Russia. When asked about Russia's mineral potential under "current" regulations, only 20 percent of respondents said its potential was either neutral or encouraging. Under a "best practices" regulatory regime, where managers can focus on pure mineral potential rather than government-related problems, 92 percent of respondents said Russia's mineral potential was either neutral or attractive.

Thus Russia's score in the "Room for Improvement" category is 72 percent. This is the percentage of respondents who changed their view of Russia's mineral potential from favourable or neutral under best practices regulations to a negative decision (a deterrent to investment or bad enough to veto investment) under Colorado's current regulatory environment.

The greater the score in figure 4, the greater the gap between "current" and "best practices" mineral potential and the greater the "room for improvement."

The jurisdictions with the greatest room for improvement are: Russia, Mongolia, Bolivia, DRC (Congo), Montana, Indonesia, Kazakhstan, Zimbabwe, Papua New Guinea, and Venezuela. Sadly, with the exception of Montana, the jurisdictions with the greatest room to improve are developing countries, where additional investment, and job, wealth, and capital creation are most needed.

An anomaly

Survey results always contain a few anomalies. People often hold conflicting beliefs, which show up as apparent contradictions in survey data. Interestingly, a few jurisdictions receive negative scores in figure 4—in other words, they appear to be more attractive under "current" regulations than under "best practices." For example, fewer respondents consider Alberta an attractive place to explore under "best practices" regulations than under "current" regulations. It may be that some in the industry consider Alberta's regulations better than "best practices" regulations or that, for the "current" regulations question, respondents are simply rewarding Alberta for good regulations.

However, a comparative factor may be implicitly at play here. Alberta is not an intrinsically attractive place to mine, but has its attractiveness improved by a good regulatory environment. Now, imagine that every jurisdiction in the world shifts to best practices. Overall, the world becomes a more attractive place to mine. Some jurisdictions become considerably more attractive, such as Colorado or Russia. But, at the same time, in world where all jurisdictions become "best practice," the relative attractiveness of other jurisdictions, like Alberta, falls. In other words, a miner may now be attracted

Figure 3: Policy/Mineral Potential Assuming No Land Use Restrictions in Place and Assuming Industry “Best Practices”

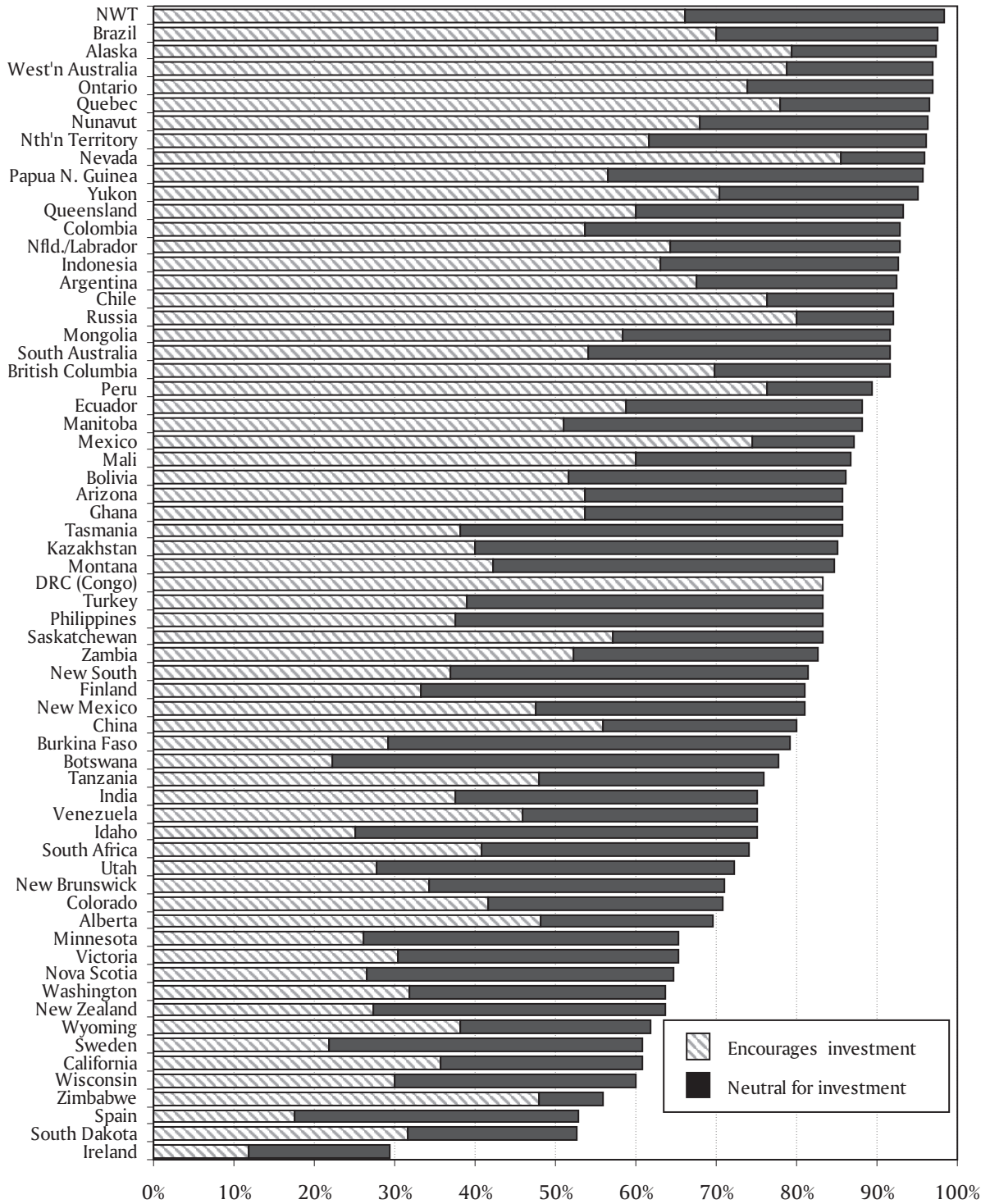


Table 3: Policy/Mineral Potential Assuming No Land Use Restrictions in Place and Assuming Industry “Best Practices”

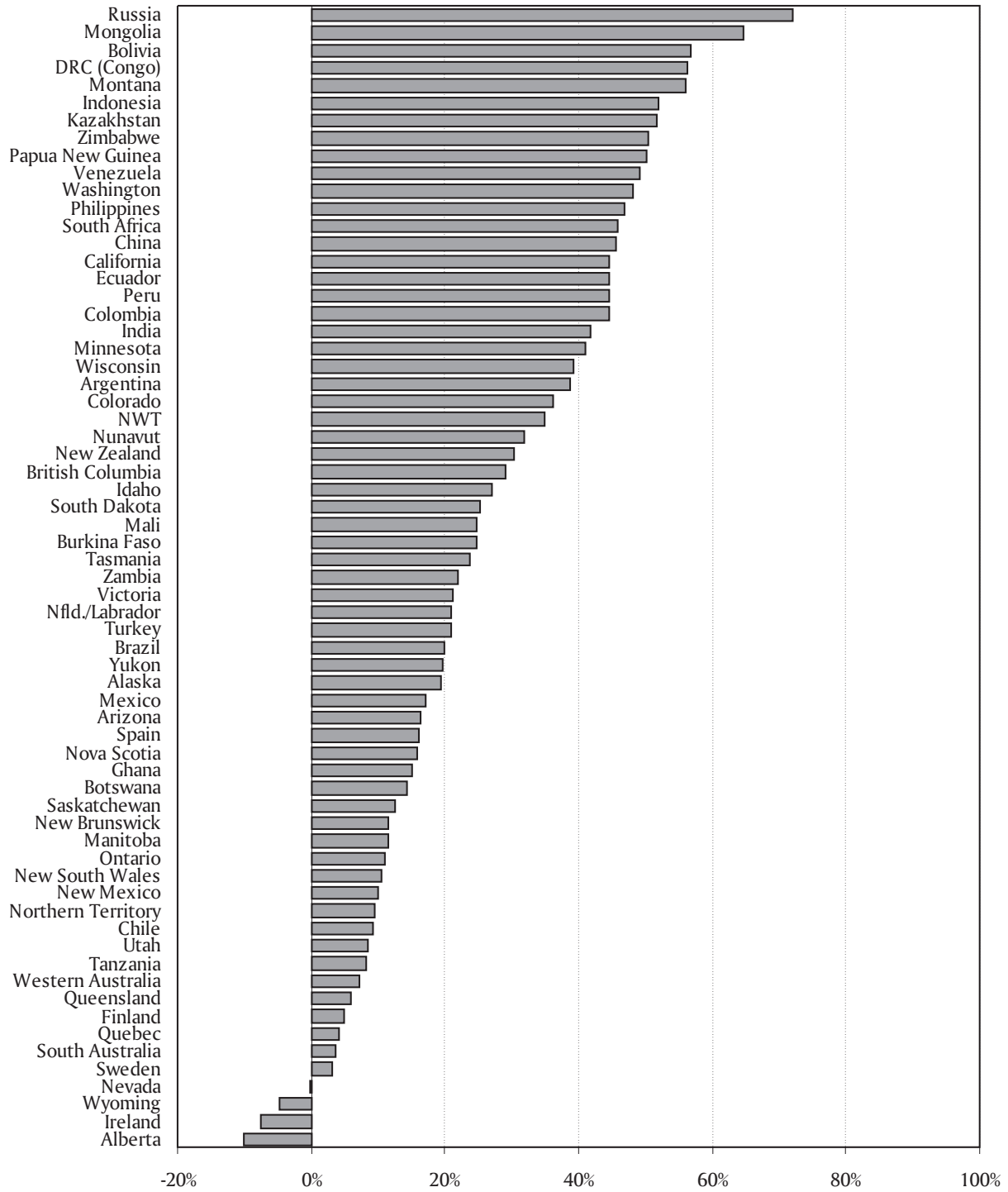
		Score				Rank			
		2006/ 2007	2005/ 2006	2005/ 2004	2004/ 2003	2006/ 2007	2005/ 2006	2005/ 2004	2004/ 2003
Canada	Alberta	0.70	0.43	0.48	0.49	52/65	63/64	63/64	48 /53
	British Columbia	0.92	0.93	0.95	0.92	20/65	26/64	12/64	23 /53
	Manitoba	0.88	0.76	0.75	0.89	23/65	47/64	43/64	25 /53
	New Brunswick	0.71	0.50	0.51	0.64	50/65	60/64	61/64	42 /53
	Nfld./Lab.	0.93	0.84	0.78	0.92	13/65	38/64	37/64	22 /53
	Nova Scotia	0.65	0.33	0.54	0.37	55/65	64/64	60/64	53 /53
	Nunavut	0.96	1.00	0.96	0.95	7/65	1/64	10/64	14 /53
	NWT	0.98	1.00	0.98	0.95	1/65	1/64	4/64	13 /53
	Ontario	0.97	0.91	0.92	0.95	5/65	31/64	17/64	10 /53
	Quebec	0.97	0.93	0.93	0.96	6/65	25/64	14/64	8 /53
	Saskatchewan	0.83	0.75	0.69	0.81	34/65	48/64	51/64	33 /53
	Yukon	0.95	0.81	0.89	0.94	11/65	42/64	29/64	16 /53
United States	Alaska	0.97	0.96	0.98	0.91	3/65	14/64	3/64	24 /53
	Arizona	0.86	0.84	0.90	0.68	29/65	39/64	24/64	39 /53
	California	0.61	0.82	0.74	0.54	60/65	41/64	45/64	46 /53
	Colorado	0.71	0.85	0.77	0.48	51/65	37/64	38/64	49 /53
	Idaho	0.75	0.83	0.83	0.74	45/65	40/64	34/64	36 /53
	Minnesota	0.65	0.72	0.55	0.64	54/65	50/64	59/64	41 /53
	Montana	0.85	0.89	0.88	0.62	32/65	35/64	30/64	44 /53
	Nevada	0.96	1.00	0.98	0.92	9/65	1/64	2/64	21 /53
	New Mexico	0.81	0.77	0.72	0.63	39/65	44/64	47/64	43 /53
	South Dakota	0.53	0.59	0.59	0.57	64/65	54/64	54/64	45 /53
	Utah	0.72	0.79	0.74	0.73	49/65	43/64	44/64	38 /53
	Washington	0.64	0.74	0.59	0.45	57/65	49/64	56/64	51 /53
	Wisconsin	0.60	0.50	0.48	0.54	61/65	59/64	62/64	47 /53
Wyoming	0.62	0.67	0.59	0.65	58/65	52/64	57/64	40 /53	
Australia	New South Wales	0.81	0.77	0.91	0.88	38/65	45/64	20/64	29 /53
	Northern Territory	0.96	0.95	0.95	0.95	8/65	19/64	11/64	11 /53
	Queensland	0.93	0.91	0.96	0.98	12/65	32/64	8/64	3 /53
	South Australia	0.92	0.92	0.91	0.87	21/65	29/64	22/64	30 /53
	Tasmania	0.86	0.57	1.00	0.81	30/65	56/64	1/64	34 /53
	Victoria	0.65	0.64	0.68	0.74	53/65	53/64	52/64	37 /53
	Western Australia	0.97	0.97	0.97	1.00	4/65	13/64	5/64	1/53

Table 3: Policy/Mineral Potential Assuming No Land Use Restrictions in Place and Assuming Industry “Best Practices”

		Score				Rank			
		2006/ 2007	2005/ 2006	2005/ 2004	2004/ 2003	2006/ 2007	2005/ 2006	2005/ 2004	2004/ 2003
Oceania	Indonesia	0.93	1.00	0.97	0.97	15/65	1/64	6/64	6 /53
	New Zealand	0.64	0.52	0.58	0.46	56/65	58/64	58/64	50 /53
	Papua New Guinea	0.96	1.00	0.96	*	10/65	1/64	9/64	*
	Philippines	0.83	0.92	0.89	0.88	35/65	28/64	28/64	26 /53
Africa	Botswana	0.78	0.95	0.84	*	43/65	21/64	31/64	*
	Burkina Faso	0.79	0.95	0.70	*	42/65	22/64	50/64	*
	DRC (Congo)	0.83	1.00	0.90	0.88	33/65	1/64	26/64	27 /53
	Ghana	0.86	1.00	0.83	0.94	28/65	1/64	33/64	15 /53
	Mali	0.87	1.00	0.83	*	26/65	1/64	32/64	*
	South Africa	0.74	0.91	0.91	0.93	48/65	33/64	23/64	19 /53
	Tanzania	0.76	0.95	0.81	*	44/65	23/64	35/64	*
	Zambia	0.83	0.96	0.91	*	37/65	15/64	21/64	*
Zimbabwe	0.56	0.90	0.60	0.83	62/65	34/64	53/64	31 /53	
Latin America	Argentina	0.93	0.93	0.93	0.95	16/65	27/64	16/64	12 /53
	Bolivia	0.86	0.91	0.72	0.88	27/65	30/64	46/64	28 /53
	Brazil	0.98	0.94	0.90	0.98	2/65	24/64	25/64	5 /53
	Chile	0.92	0.97	0.93	0.96	17/65	11/64	13/64	9 /53
	Colombia	0.93				14/65			
	Ecuador	0.88	0.71	0.77	*	24/65	51/64	39/64	*
	Mexico	0.87	0.95	0.91	0.93	25/65	18/64	19/64	18 /53
	Peru	0.89	1.00	0.96	0.98	22/65	1/64	7/64	4 /53
	Venezuela	0.75	0.86	0.76	0.81	46/65	36/64	42/64	32 /53
Eurasia	China	0.80	0.97	0.91	1.00	41/65	12/64	18/64	1 /53
	Finland	0.81	0.43	0.76	*	40/65	62/64	41/64	*
	India	0.75	0.76	0.70	0.76	47/65	46/64	49/64	35 /53
	Ireland	0.29	0.44	0.38	0.42	65/65	61/64	64/64	52 /53
	Kazakhstan	0.85	0.95	0.90	0.94	31/65	20/64	27/64	17 /53
	Mongolia	0.92	0.96	0.76	*	19/65	16/64	40/64	*
	Russia	0.92	1.00	0.93	0.97	18/65	1/64	15/64	7 /53
	Spain	0.53	0.58	0.59	*	63/65	55/64	55/64	*
	Sweden	0.61	0.54	0.70	*	59/65	57/64	48/64	*
	Turkey	0.83	0.95	0.81	0.93	36/65	17/64	36/64	20 /53

* = The jurisdiction was not in the survey that year.

Figure 4: Room to Improve



*Difference between Policy/Mineral and Mineral Indexes
A high positive score indicates a jurisdiction is distant from "best practices" policies*

to Alberta because of a good policy environment, but if Colorado, Mongolia, and Russia all featured a regulatory environment as good as Alberta, then the relative attractiveness of Alberta would fall, resulting in a negative movement for Alberta in a “best practices” world.

A caveat

This survey captures miners’ general knowledge and specific knowledge. A miner may give an otherwise high-scoring jurisdiction a low mark because of his or her individual experience with a problem. This adds valuable information to the survey.

We have made a particular point of highlighting such differing views in the “What miners are saying” quotes.

Survey highlights

Chile: The big story

The headline news in this year’s survey is the significant decline of Chile in various rankings, particularly in the Policy Potential Index (PPI). This is a composite of all the policy areas. Last year, Chile ranked 3rd, with a composite score of 87 out of a possible 100. This year, Chile ranked 27th, with a score of 64. Most worryingly, of the 12 policy area examined in the survey, Chile suffered its biggest declines in the areas of political stability and security.

Chile’s decline can also be seen in the “Room to Improve” chart. This measures the difference between the attractiveness of a jurisdiction under its current policy regime and under a “best practices” regime. Last year, Chile scored about the same response on the “current” and the “best practices” question, indicating that most miners felt Chile was close to or at best practices. This year, there was a 9.2 percent gap.

Chile has previously faced a downward bump. Since its introduction into the survey in the 1998/1999 edition, Chile had always scored in the top 10 of the PPI and, for all but two years, in the top five of the PPI. In the 2001/2002 edition, it took the top spot. Then two years ago, in the 2004/2005 report, Chile dropped to 14th place with a score of 64, from 2nd place and a score of 85 in 2003/2004 report. Chile recovered last year and then declined again significantly this year.

Chile’s 2004/2005 fall in rankings and score was likely due to the controversy over royalties raging at that time. This year’s decline is probably linked to labour disputes in Chile, particularly at Escondida and the settlement which followed.

The key question is whether this year’s decline represents a sea-change for Chile in the eyes of the mining community, or merely a brief squall. The fact that this year’s decline is not the first storm that

Chile has felt in recent years will likely trouble some in the industry who will worry that this is a portent of growing uncertainty in the country.

For years, Chile has stood out from its neighbours in the stability and openness of its mining policy regime to the great benefit of its people. Could that change? New concerns about political stability and security indicate miners worry about this.

Miners are very sensitive to uncertainty. They literally spend years throwing money into the ground before they begin to take profits out. When investing in exploration or new developments, the future policy climate becomes in some sense more important than the current policy climate. Thus, uncertainty can become an immense detriment to investment and development.

However, it is also important not to overstate Chile's decline in the survey. While the country is showing some worrying signs, the government does not seem to be facing any imminent threat and appears committed to Chile's economic model. The limited nature of Chile's decline can be seen in table 2. Last year, Chile had the best score on the question about mineral potential under "current" regulations, with a 96 percent favourable or neutral rating. That declined this year to 83 percent, but Chile is still in the top 10, at 8th spot. While Chile's score declined in most policy areas, the fall was typically fairly small except in political stability and security, though those may be the most telling areas.

Mongolia: Unfortunate developments

Seldom if ever has the mining survey received as many negative notes about one jurisdiction as it has this year about Mongolia. As the president of one producer company put it: "Mongolia has literally overnight changed policy from one of openness to one that heavily penalizes foreign owned mines."

Last year in the PPI, Mongolia had only a middling rank and score, ranking 33rd out of 64 with a score of 54 out of 100. But, this year, Mongolia's position collapsed, coming in at 62nd out of 65 with a score of 11 out of 100. Mongolia was rated as the jurisdiction with the second most room to improve, right after Russia—not a comfortable neighborhood. It scored close to the bottom in all policy areas.

Colombia: The survey's new entrant

This year we added Colombia to the survey. In the past the mining community has expressed little interest in having Colombia in the survey. This was likely because Colombia was perceived as too unstable and dangerous to attract much interest. However, Colombia's government has made large strides in improving security and battling criminal gangs and guerillas.

That said, Colombia's score on the PPI was quite low, 25 out of a possible 100, with a ranking of 55th out of 65. Nonetheless, it is far ahead of Bolivia and Venezuela and not too far behind Peru and Ecuador, both of which had scores of 30. After years of turmoil and bad publicity, it is hardly surprising that Colombia entered the survey at a low level.

The key questions will be whether Colombia's improving situation holds into the future and whether the country gains the trust of the mining community. Unquestionably, Colombia is a much better place to do business than it was just a short time ago. Because almost any mine is a long-term project, miners need to be convinced not just that improvements have occurred, but that they will endure. As the experience of British Columbia shows (see below), improvements need to remain stable for a while before miners are fully willing to put their trust in a jurisdiction. The test for Colombia will come in future reports.

British Columbia stabilizes

The Fraser Institute is headquartered in British Columbia and this survey was originally motivated in 1997 by the failure of mining policy in the province. Over the first years of the survey, British Columbia was either at or near the bottom in mining policy.

Several years ago, mining policy in British Columbia began to change. However, this resulted in only slow changes in British Columbia's position in the survey. We argued that miners need to be persuaded of long-term stability before placing their trust in a jurisdiction. As noted above, miners spend years pumping money into the ground before they start taking profits out of the ground. Without stability, a good policy today may become expropriative by the time a mining company begins to make its money back.

The results for British Columbia are entirely consistent with this pattern. Two years ago was the first time since the survey's inception that British Columbia had not scored in the bottom 10 of the PPI, though it remained in the bottom third. In last year's survey, British Columbia ranked in the top half and was a couple positions away from the top third. The overhang from bad policy takes years to dissipate, and governments around the world should be aware that mistakes today will haunt them in the form of lower investment for years into the future.

This year's report represents the first time since the 2001/2002 survey that British Columbia has not improved its score or rank. Its score at 61 out of 100 is almost identical to last year's score of 62, though it did decline in the rankings from 23rd to 30th. This makes British Columbia the lowest ranked of the Canadian provinces, though above the Northwest Territories and Nunavut.

Survey Results in Detail

The following section provides an analysis of 12 policy-related factors that contribute to the ability of jurisdictions to attract exploration investment and on two overall questions (figures 2 and 3) on the attractiveness of a jurisdiction under current and under best practices policies. Companies were thus asked to rate jurisdictions on the following factors on a scale of 1 to 5:

- Uncertainty concerning the administration, interpretation, and enforcement of existing regulations
- Environmental regulations
- Regulatory duplication and inconsistencies (including federal/provincial or federal/state and interdepartmental overlap)
- Taxation regime (including personal, corporate, payroll, capital taxes, and the complexity associated with tax compliance)
- Uncertainty concerning native land claims
- Uncertainty concerning which areas will be protected as wilderness or parks
- Infrastructure
- Socioeconomic agreements
- Political stability
- Labour regulation/employment agreements
- Geological database (including quality and scale of maps and ease of access to information)
- Security
- Mineral potential assuming current regulation and land use restrictions
- Mineral potential assuming no regulation or land restrictions (but further assuming industry “best practice” standards)

Scale

1 = encourages exploration investment

2 = not a deterrent to exploration investment

3 = mild deterrent to exploration investment

4 = strong deterrent to exploration investment

5 = would not pursue exploration investment in this region due to this factor

Respondents were asked to score only jurisdictions with which they are familiar and only on those policy factors with which they were familiar. We have noted in the appendix tables the one instance where a jurisdiction received fewer than 10 responses to a question.

Explanation of the Figures

Figures 5 through 16 versus figures 2 and 3

Figures 5 through 16 show the percentage of respondents who rate each policy factor as either a “strong deterrent to exploration investment” or “would not pursue exploration investment in this region due to this factor” (“4” or “5” on the scale on the previous page). This differs from Figures 2 and 3, which show the percentage of respondents who say that “current” or “best practices” policy either “encourages exploration investment” or is “not a deterrent to exploration investment” (a “1” or a “2” on the scale above). In each case, we pattern response “4” differently from “5” (or “1” from “2” for figures 2 and 3) so readers will be able to judge the strength of these responses. Readers will find a break down of both negative and positive responses for all areas in the appendix.

Figure 17: Composite Policy and Mineral

This is a composite index that combines both the policy potential index and results from the “best practices” question, which in effect ranks a jurisdiction’s “pure” mineral potential, given “best practices.” This year, as in other years, the index was weighted 40 percent by policy and 60 percent by mineral potential. These ratios are determined by a survey question asking respondents to rate the relative importance of each factor. To some extent we have de-emphasized the importance of the policy/mineral potential index in recent years, moving it from the front to the body of the report. We believe that the best measure of investment attractiveness is provided by our direct question on “current” mineral potential (see figure 2). This is partly because the 60/40 relationship is probably not stable at the extremes. For example, extremely bad policy that would virtually confiscate all potential profits, or an environment that would expose workers and managers to high personal risk, would discourage mining activity regardless of mineral potential. In this case, mineral potential—far from having a 60 percent weight—might carry very little weight. Nonetheless, we believe the composite index provides some insights and have maintained it for that reason.

A further note about the construction of figure 17 is required. To construct figure 3 on “Best Practices,” we include “neutral for investment” and “encourages investment” responses. However, in constructing figure 17, we use only the “encourages” responses. The appendix provides the raw data for the construction.

What Miners Are Saying

All jurisdictions [that] have abandoned the free entry system of mining law in favour of discretionary ministerial licenses [have taken a step backwards]. These licenses violate the concept of legal security of tenure—the most fundamental requirement for investment in mining.

—An Exploration Company, Consultant

The US and Canada [are improving]. The US is loosening up on regulation and the NGO environmentalists are losing their junk science and deconstructionist edge! Most [Canadian] provinces are wise to or getting wise again to the importance of mining to their economies.

—An Exploration Company, Company Founder, President, and CEO

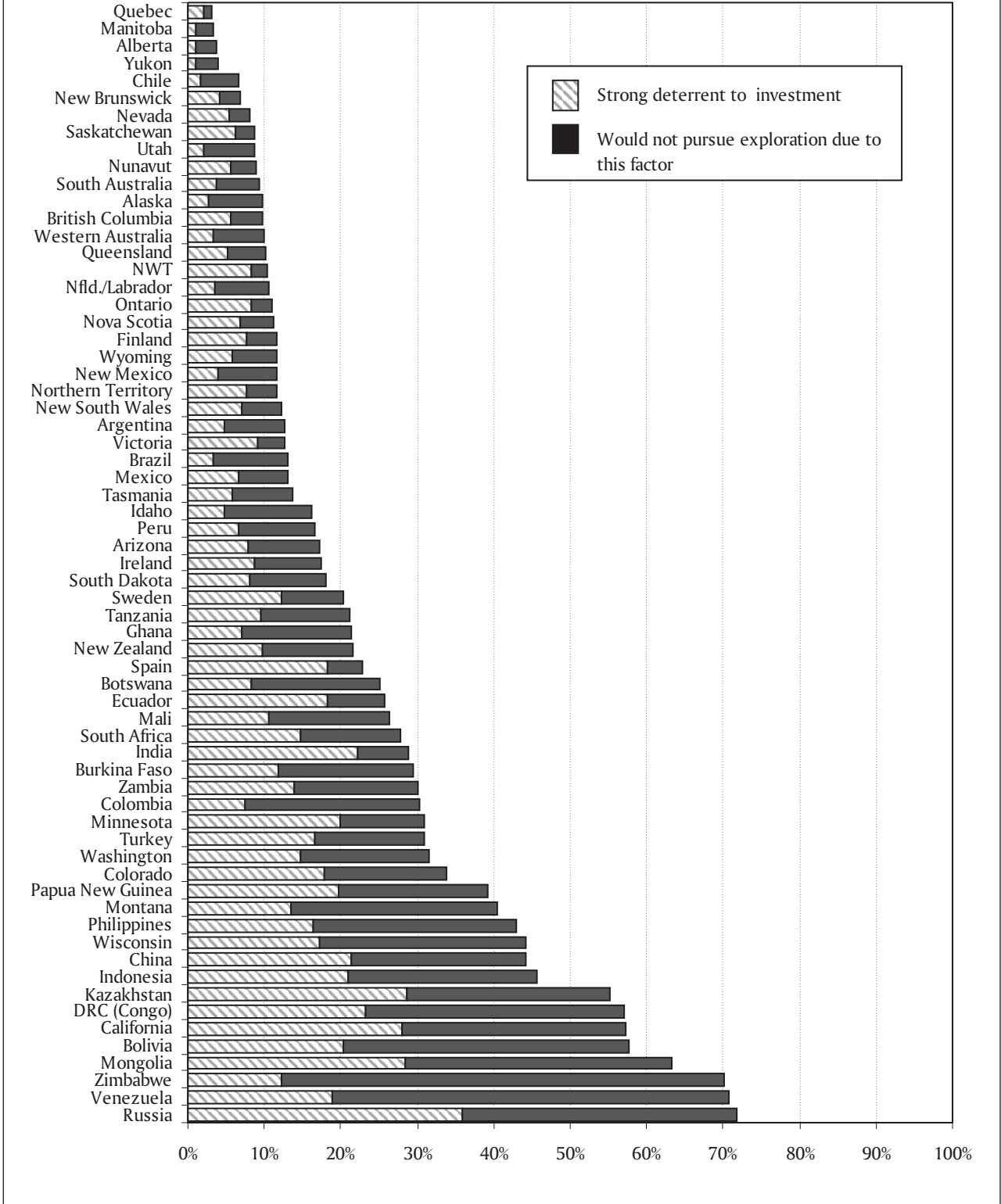
At this point I would say the [worst jurisdictions are] ones where political instability or huge changes in the rules exist. Venezuela, Bolivia, and Mongolia are my top 3 picks here. Don't change rules once exploration has started on a project.

—An Exploration Company, Company President

South Australia, Quebec, [and] Chile [are the best jurisdictions]—Very supportive and a strong senior government level recognition of positive impact [of mining] on their economies.

—A Producer Company with more than US\$50M Revenue, Manager

Figure 5: Uncertainty Concerning the Administration, Interpretation and Enforcement of Existing Regulations



What Miners Are Saying

Focus on Canada

I'd put Canada near the top of [the worst] list. We are over regulated and [have] too many negatives with Land Claims, Protected Areas, Parks and Land Use. Government needs to stop being politically correct about Land Claim Issues. Get them settled and get on with it. You cannot keep changing what you are asking for.

—An Exploration Company, Company President

Canada [has the world's best policies for mining] for a combination of reasons including culture of law, property rights, reasonable environmental regulations and a culture that supports mining and exploration.

—An Exploration Company, Company President

Most Canadian provinces have favourable policies. Politics are a factor i.e., brinkmanship by whomever is Premier in St. John's.

—An Exploration Company, Company President

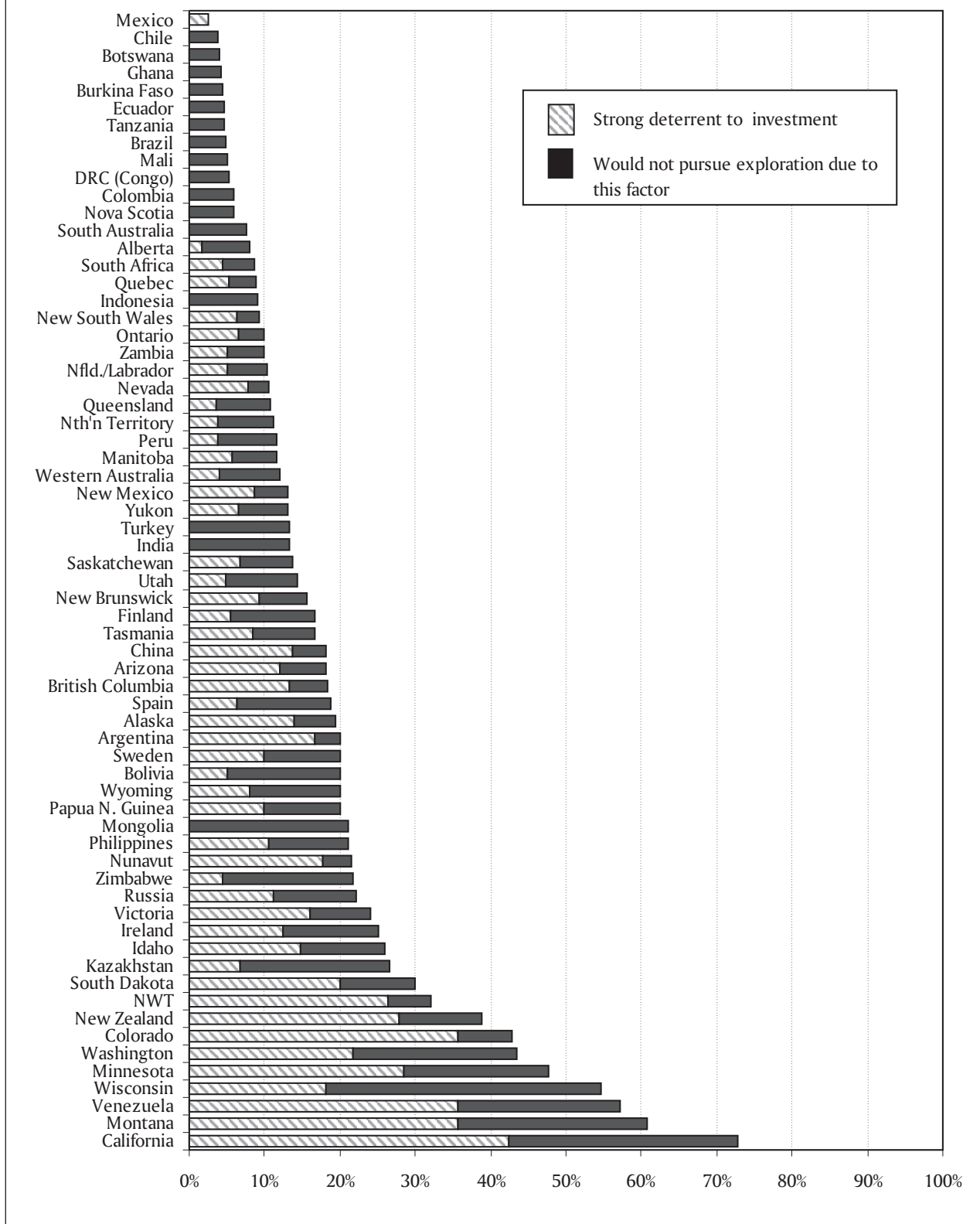
We operate only in Québec and are of the opinion that this is among the best locations to operate.

—A Producer Company with less than US\$50M Revenue,
Company President

Ontario [has] reasonable and flexible regulatory environment.

—An Exploration Company, Company President

Figure 6: Environmental Regulations



What Miners Are Saying

Focus on Canada: The North

Northwest Territories horror story: the issuing of land use permits by the Mackenzie Valley Land and Water Board is arbitrary, illogical, capricious and punitive. In one case a company was issued a land use permit for a core drilling program without doing any community consultations or environmental studies while a second company on an adjoining claim group, had a land use application (for a virtually identical drill program) sent for an expensive environmental assessment although they had already completed extensive community consultations and on site environmental studies.

—An Exploration Company, Company President

There have been experiences in the NWT, where land use permits have been refused because of political issues, nothing to do with the environmental issues.

—An Exploration Company, Company President

The Yukon [has an] archaic mineral tenure acquisition system; the Yukon Quartz Mining act is over 100 years old and has never been amended.

—An Exploration Company, Vice President

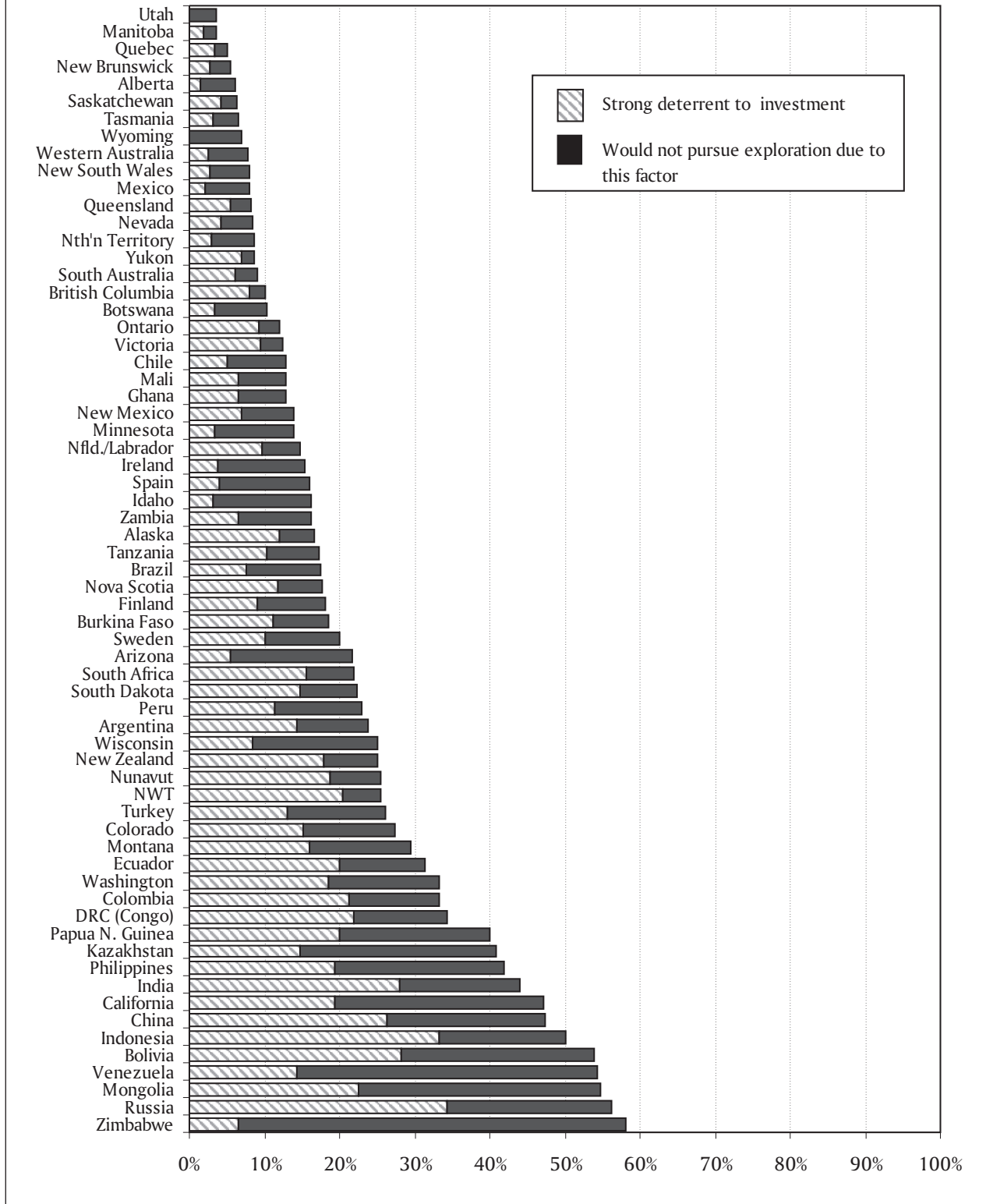
The Yukon [is one of the world's best jurisdictions]: Very mining friendly government in power.

—An Exploration Company, Company President

Permitting [in Nunavut, Canada] for production [has taken] 5 years for a tiny ... mine and [we're] still at it.

—An Exploration Company, Company President

Figure 7: Regulatory Duplication and Inconsistencies



What Miners Are Saying

Focus on Canada: The West

Exemplary climate: Manitoba. Access to the Mines Minister and his staff at any time. They are proactive as well as reactive.

—An Exploration Company, Company President

In Saskatchewan permitting is being conducted through the Environmental Branch—not the mines branch.

—An Exploration Company, Company President

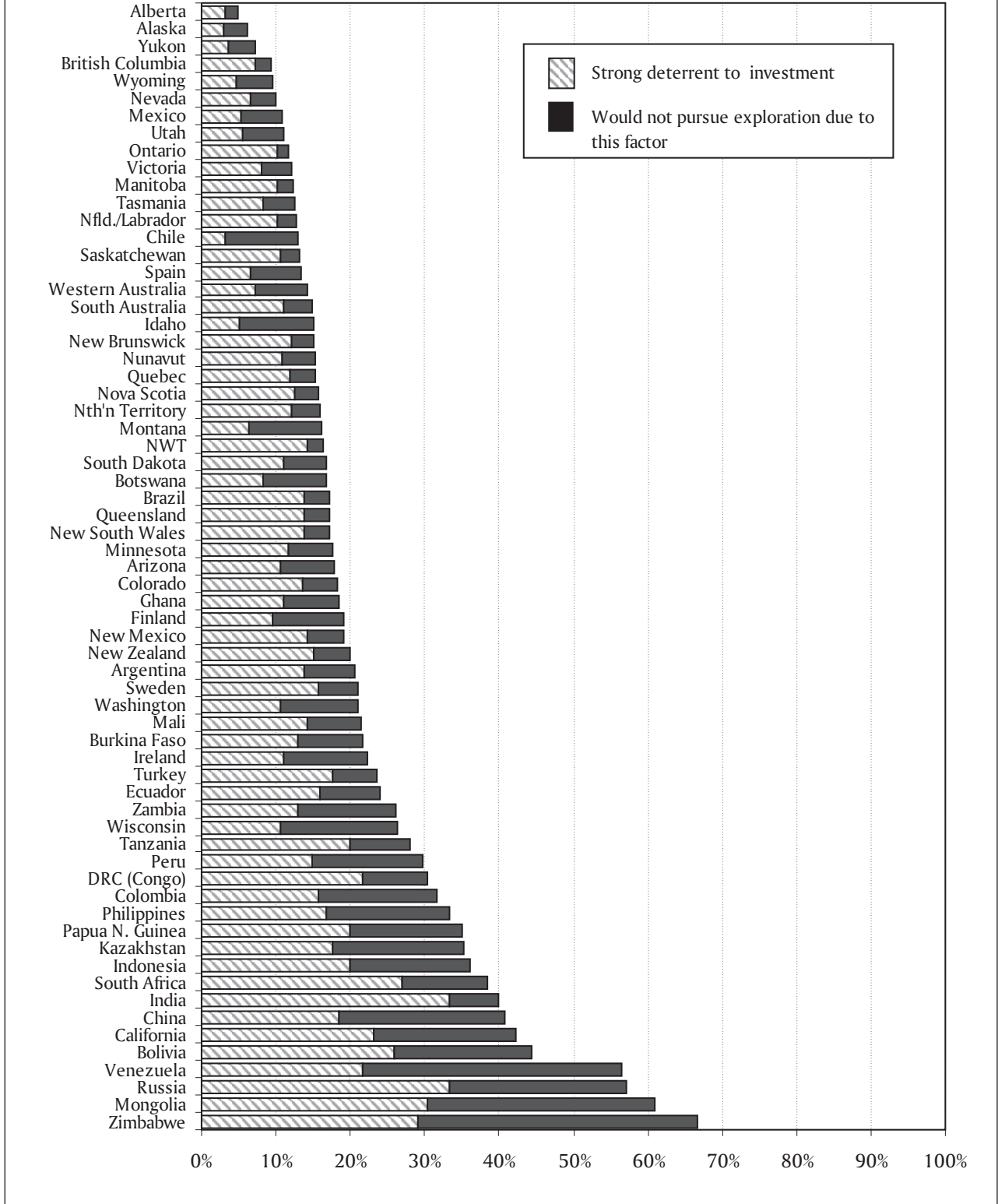
British Columbia [is a bad jurisdiction for mining due to] native land claims and environmental issues. [It needs] certainty re: native land claims and relaxation of environmental issues.

—A Producer Company with less than US\$50M Revenue, Vice President

British Columbia [has a good policy environment]: stable, transparent regulations; transparent, fair tenure system.

—A Consulting Company, Vice President

Figure 8: Taxation Regime



What Miners Are Saying

Focus on the United States

The good ...

Arizona [has a] pro mining environment [and] long history of mining and mining operations.

—A Producer Company with less than US\$50M Revenue, Vice President

Nevada [is] practical, known, stable.

—An Exploration Company, Company President

The bad ...

The Clean Water Act in California: its real intent is to prohibit mining.

—An Exploration Company, Company President

In South Dakota and Montana, referendums allow an uneducated populace to torpedo projects based on emotion.

—An Exploration Company, Partner/Owner

And the ugly

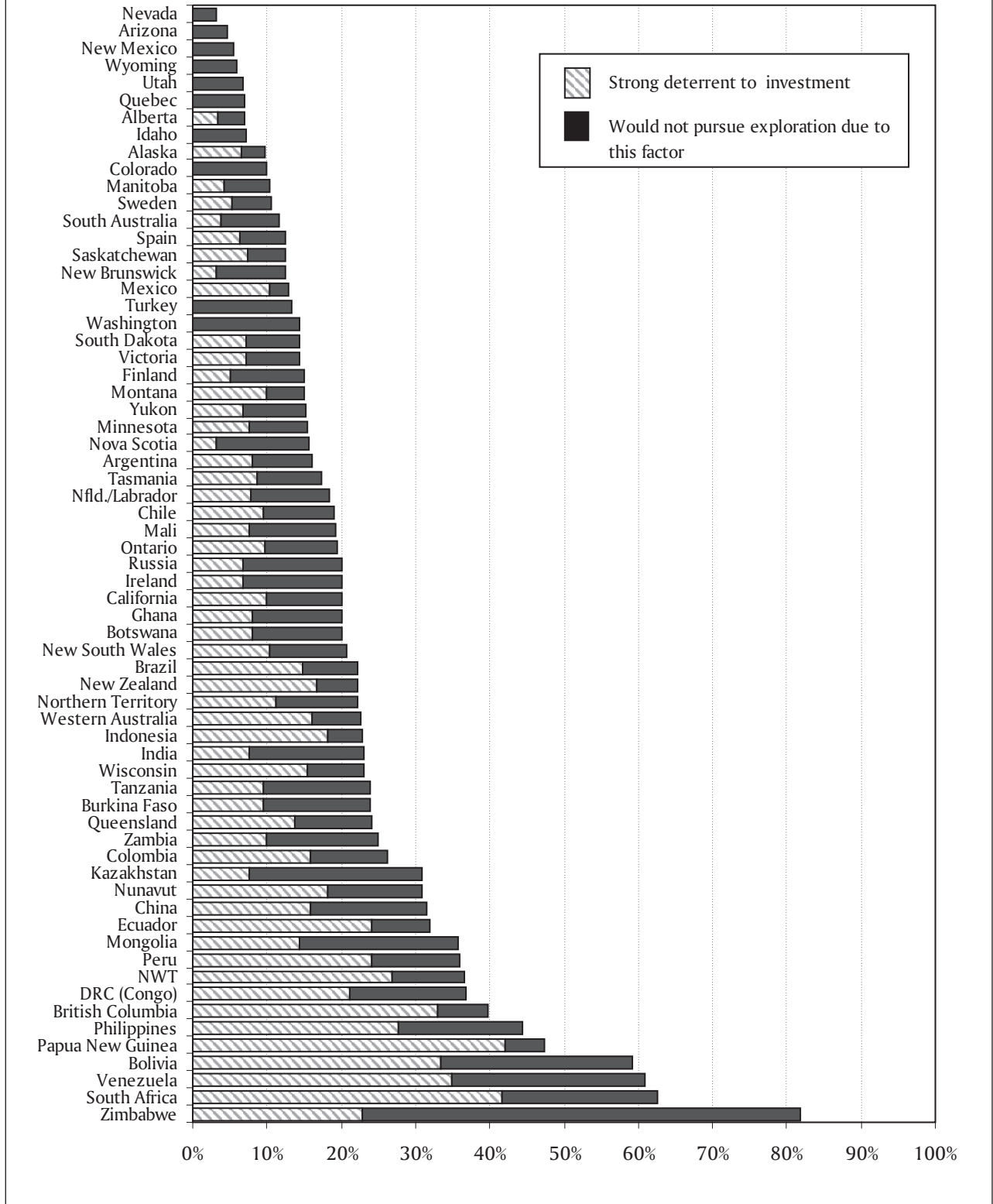
In Wisconsin, the ultimate NIMBY hypocrisy is evident.

—An Exploration Company, Company President

California ignorance and wealth creates SNOB values. Do not drive on roads because the material is MINED.

—An Exploration Company, Company President

Figure 9: Uncertainty Concerning Native Land Claims



What Miners Are Saying

Focus on South America: Fears of expropriation and other problems

In Bolivia, the current government is threatening nationalization of oil/gas and mineral properties [creating] uncertainty.

—A Producer Company with more than US\$50M Revenue, Investor Relations

In Venezuela, [there are] threats of Government takeover. Ministry of Mines displays no power to adhere to rules.

—An Exploration Company, Vice President

In Venezuela, it appears that any investment into finding minerals may not be realized, as the government is likely to take the land away from non-Venezuelan exploration companies once a discovery is made.

—An Exploration Company, Manager

Venezuela [and] Bolivia [have] announced policies of nationalization, by decree, without due process of law.

—A Consulting Company, Manager

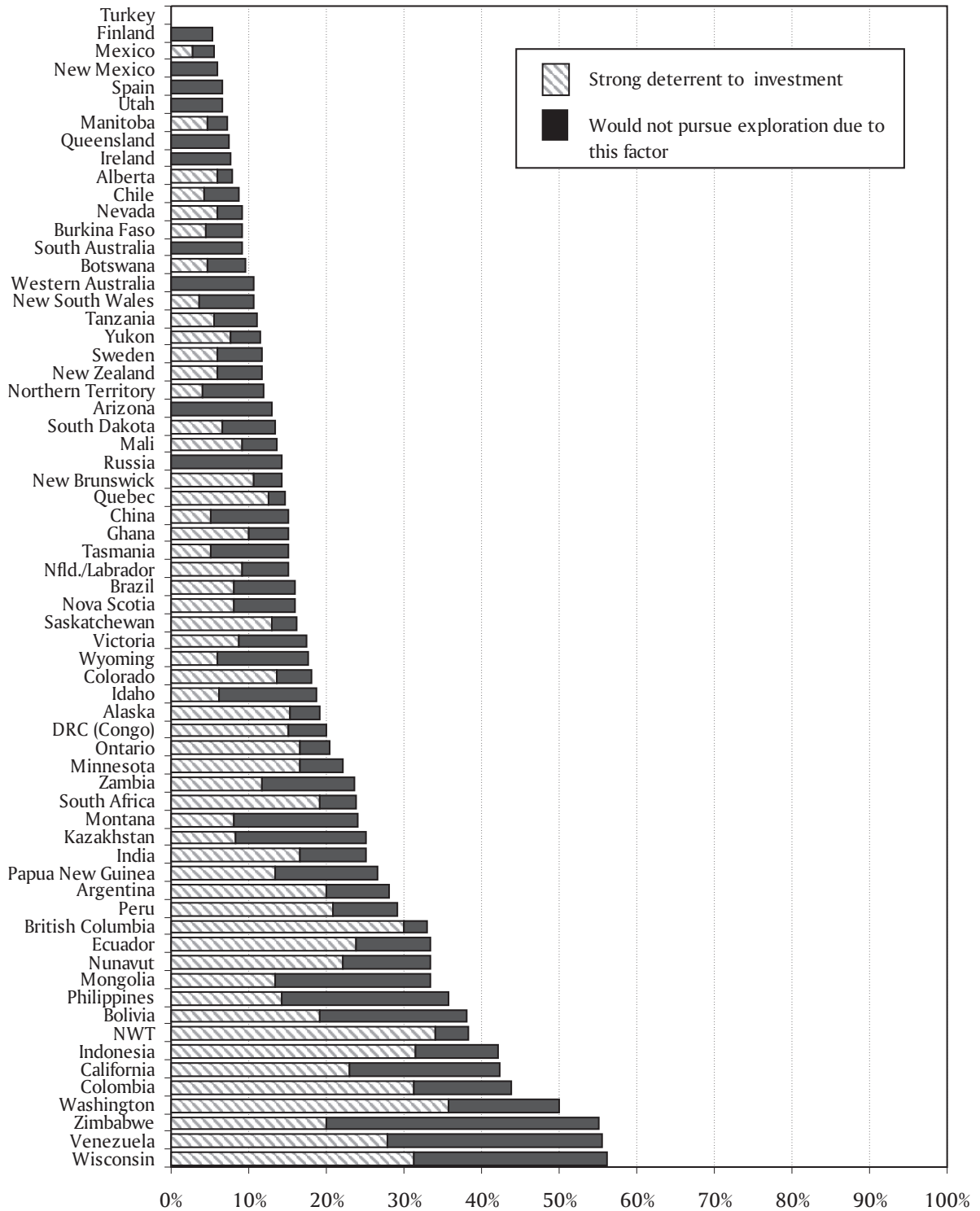
Property taxes being claimed in Venezuela despite property having been ceded back to the Government.

—An Exploration Company, Vice President

In Argentina, provincial governments seem to out-rule federal governments and NGOs have infiltrated provincial governments with incorrect propaganda.

—An Exploration Company, Company President

Figure 10: Uncertainty Concerning which Areas will be Protected as Wilderness or Parks



What Miners Are Saying

Focus on South America: Chile has slipped but remains popular

Chile [is] a politically stable, democratic country with both private and public sector mining activity of recognized great significance to the economy.

—A Consulting Company, Manager

Chile [has]... reasonable taxes, ease of development and proven legislation in a mature mining environment.

—An Exploration Company, Company President

Chile [has] a mining driven economy [and] good understanding of the industry.

—An Exploration Company, Vice President

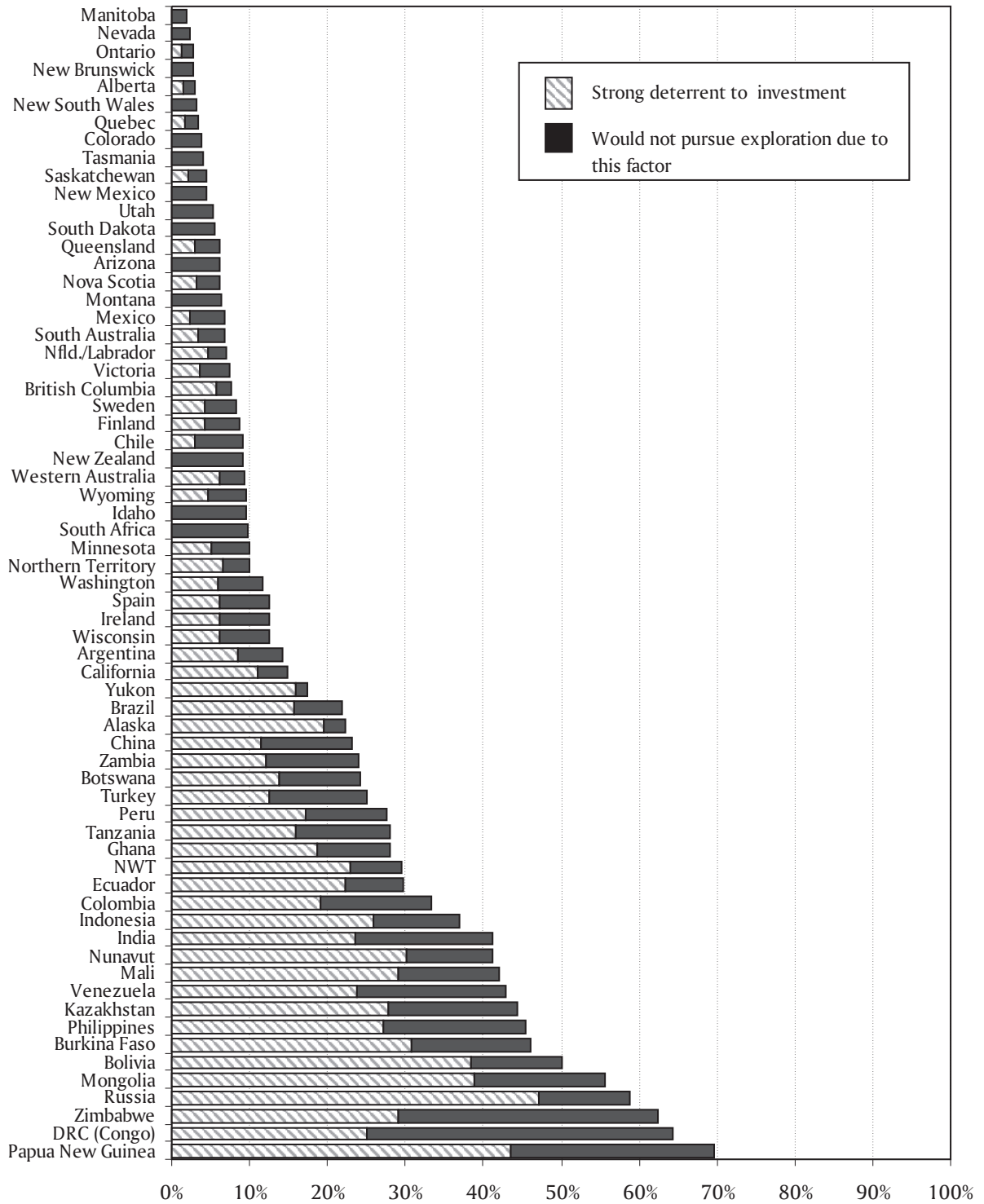
In Chile, the framework for operating is very clear. [There are] no major native title issues, environmental permits easy to comply with.

—A Producer Company with less than US\$50M Revenue, Company President

Peru [has] good, effective policies; bureaucratic system not unduly burdensome; excellent work force; modern legal system.

—A Producer Company With More Than US\$50M Revenue

Figure 11: Infrastructure



What Miners Are Saying

Mexico gaining positive reactions

My recent experience in Mexico has really made me wonder why I did not have projects here in the past. Basically if you follow the rules you can work without the bickering of different government agencies.

—An Exploration Company, Company President

Mexico [has a] welcoming environment with well thought out policies.

—An Exploration Company, Chief Executive Officer

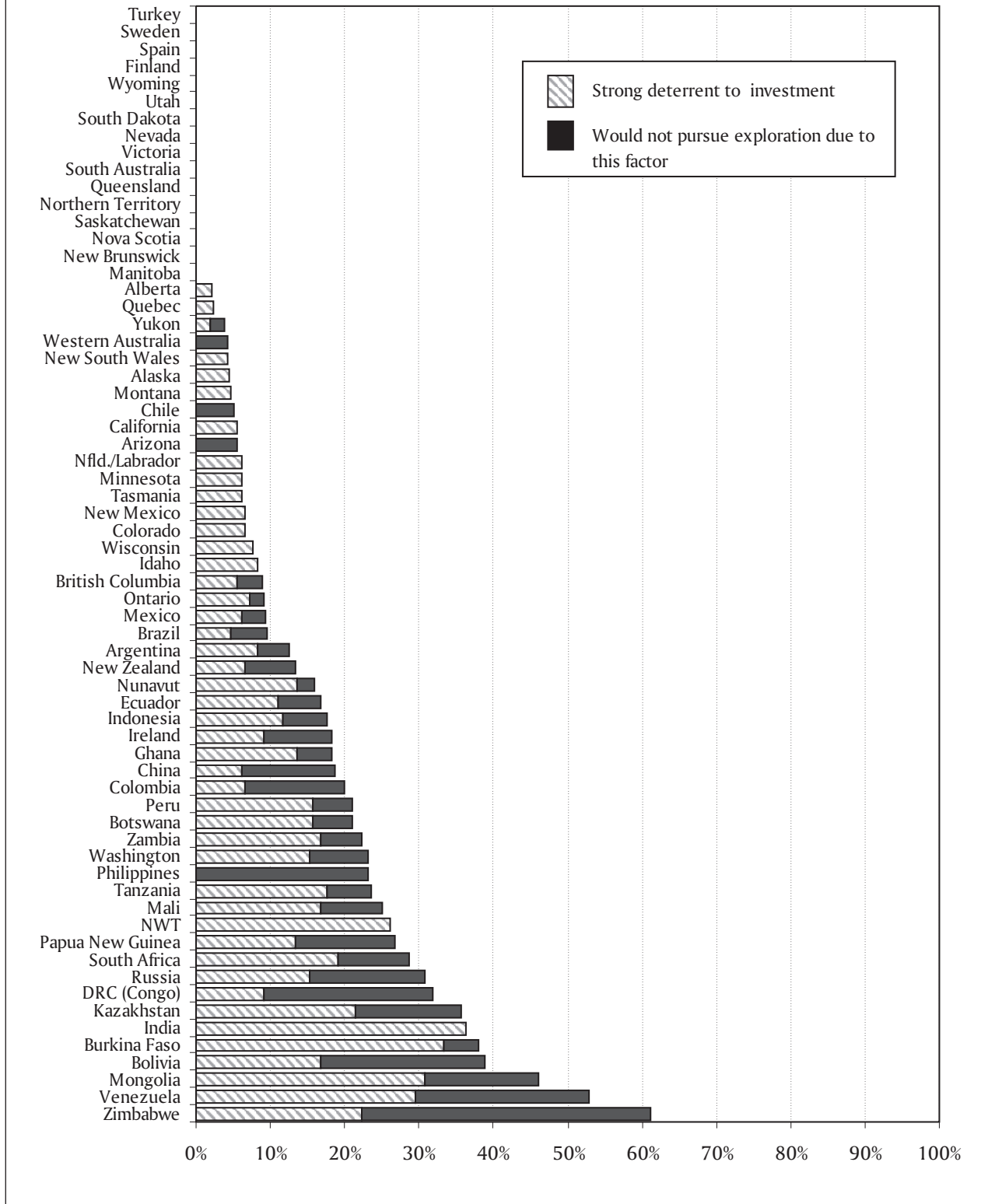
Mexico encourages exploration. All permits for development are received in 5 months.

—An Exploration Company, Vice President

Mexico [is] part of NAFTA [North American Free Trade Agreement and has] North American use of accounting [as well as] good infrastructure.

—A Producer Company with less than US\$50M Revenue,
Corporate relations

Figure 12: Socioeconomic Agreements



What Miners Are Saying

Focus on Mongolia: The problems grow

Mongolia has literally overnight, changed policy from one of openness to one that heavily penalizes foreign owned mines.

—A Producer Company with less than US\$50M Revenue, Company President

The taxation turmoil in Mongolia is an example of a negative story.

—An Exploration Company, Company President

Mongolia [suffers from its] New Minerals Law with provisions for state participation in 'strategic' deposits plus its Windfall Profits tax.

—An Exploration Company, Company President

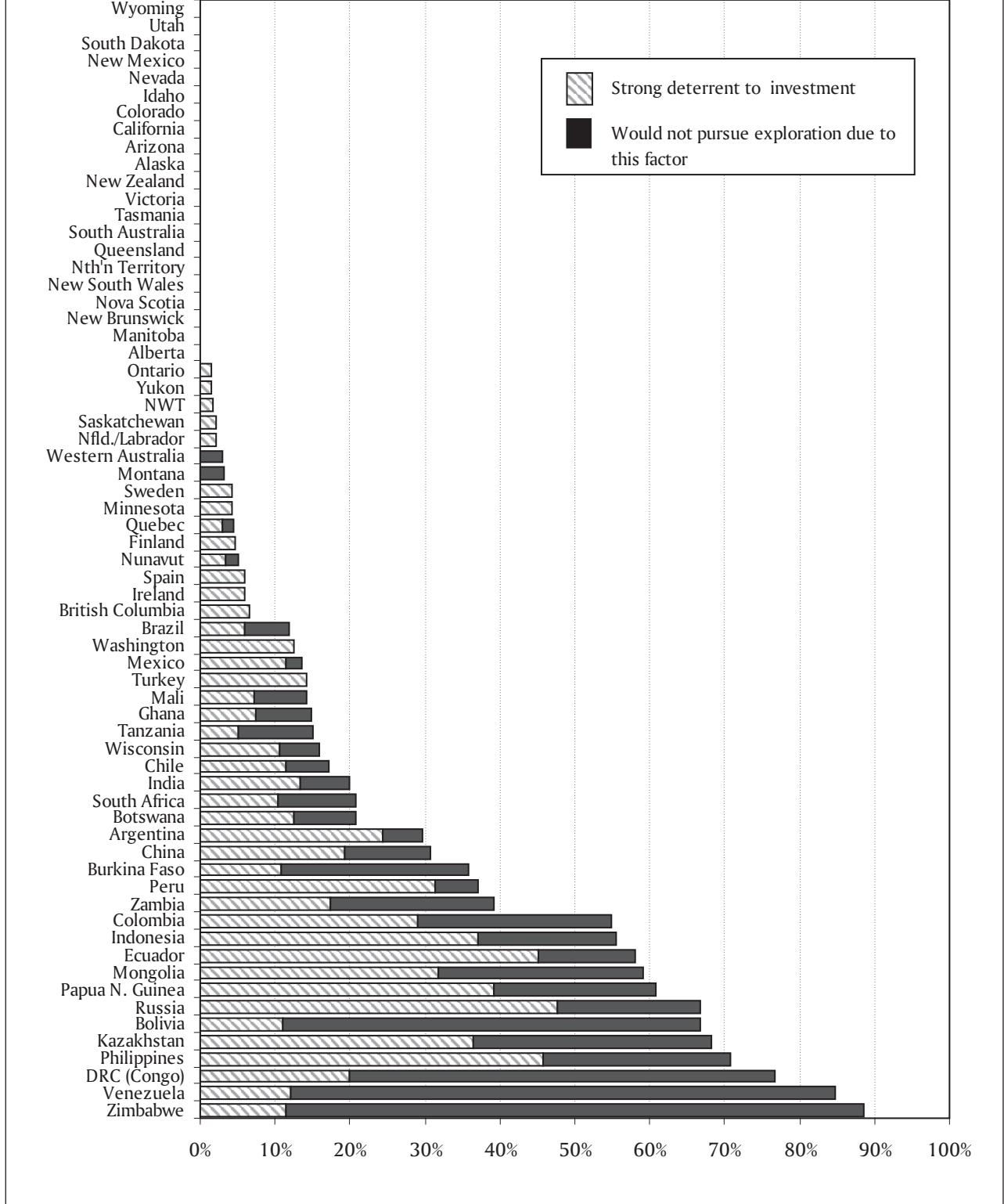
In Mongolia, changes in the tax regime and imposition of windfall taxes places high capital investments in the unacceptable risk category.

—An Exploration Company, Company President

Mongolia [has a] waffling government and theft of mineral tenure, land tenure.

—An Exploration Company, Company President

Figure 13: Political Stability



What Miners Are Saying

Focus on Australia: The good

Australia has a long history and well developed policies where the [mining] industry is understood.

—An Exploration Company, Manager

Australia [has good] infrastructure, databases, political stability, mineral endowment, [and] experienced, skilled personnel.

—An Exploration Company, Vice President

In South Australia, they really go out of their way to welcome you—and have initiated many successful programmes to attract companies.

—An Exploration Company, Company President

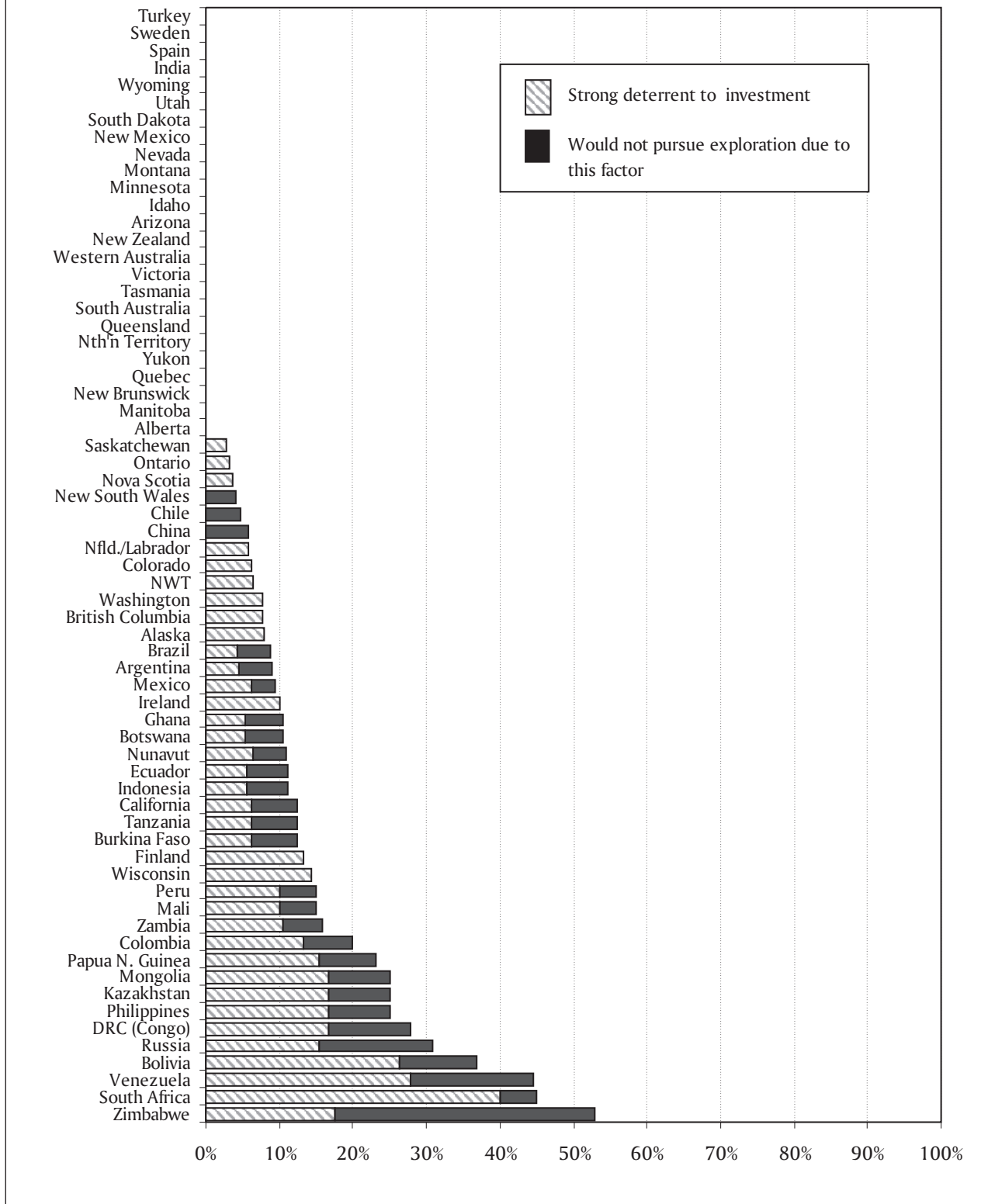
Australia [offers] recognition of the economic value of the industry.

—An Exploration Company, Company President

NSW [New South Wales], Australia, [has a] favourable mining Act, and excellent database and mineral titles system.

—An Exploration Company, Manager

Figure 14: Labour Regulations/Employment Agreements



What Miners Are Saying

Focus on Australia: The bad

Jabiluka uranium mine in the Northern Territory: What a disaster! With Native title problems sorted out and the mine construction commenced, the greensies were allowed unchecked to upset it all, manipulate public perception, and change the view of native title holders.

—An Exploration Company, Vice President

One company I was associated with lost access to some important exploration permits in Queensland. The applications were refused by a low ranking official against the law in place at the time, and the law was changed the very next day to prevent us making new applications. When the issue was raised in court, the QLD government got the matter thrown out on a technicality.

—An Exploration Company, Company President

Queensland's environmental framework is cumbersome and bureaucratic, and driven by idealists with no real appreciation of commercial imperatives or constraints. Make the environmental framework less bureaucratic, make it more user friendly.

—An Exploration Company, Company President

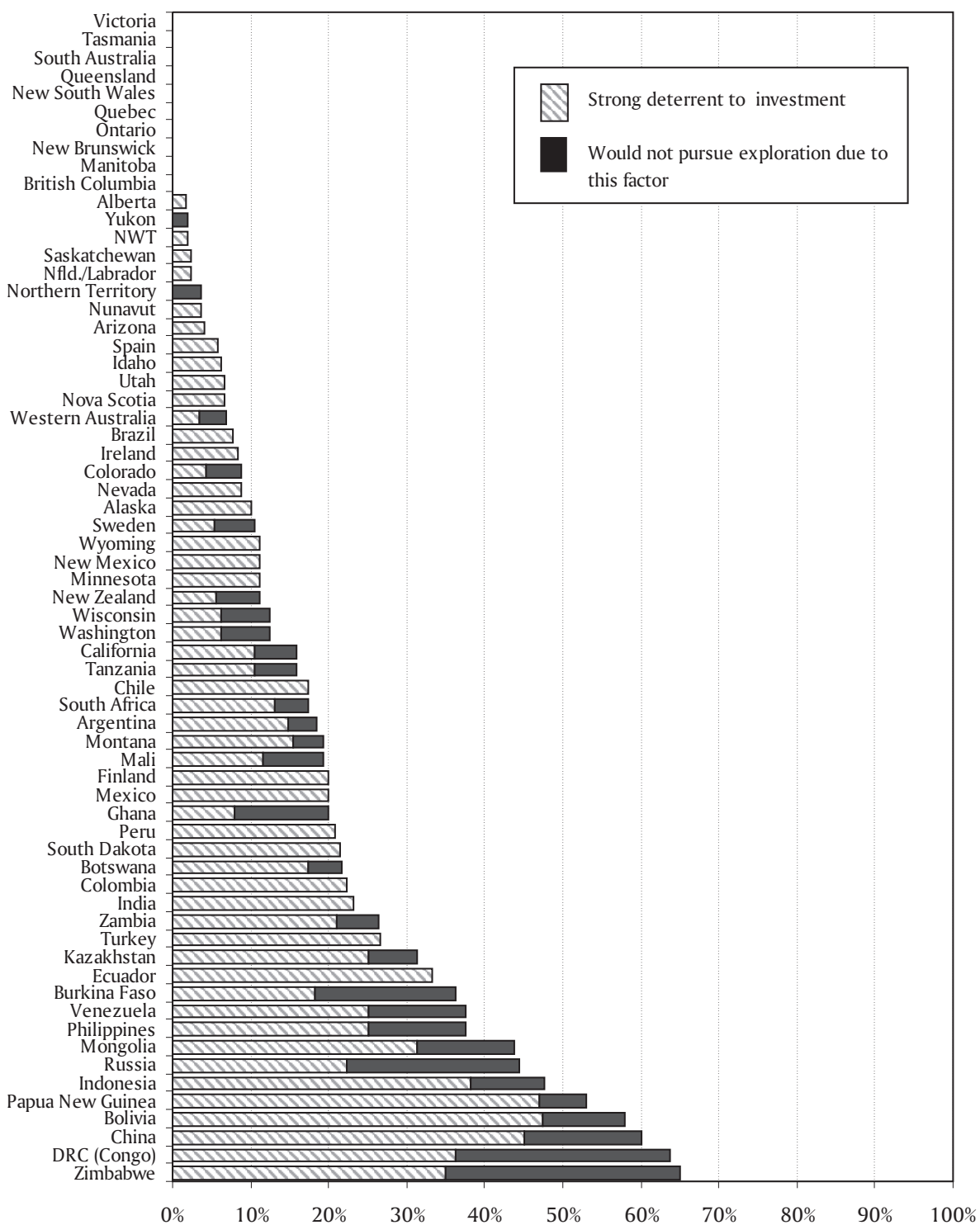
Western Australia's state government cancels licenses at minister's discretion and changes gas taxing policies after discovery. Database and titles system [are] a disgrace.

—An Exploration Company, Manager

Australia's native title [suffers from] uncertainty. Fix Native title, make it clear cut.

—An Exploration Company, Vice President

Figure 15: Geological Database



What Miners Are Saying

Focus on Africa

Burkina Faso [has a new] mining act geared to attract foreign investment.

—An Exploration Company, Company President

In Namibia, [a company] acquires a uranium project, completes a feasibility programme, and gets permission to construct a mine within an 18 month period!

—An Exploration Company

Botswana [has] good historical mining base and government department decision making is fast.

—An Exploration Company, Vice President

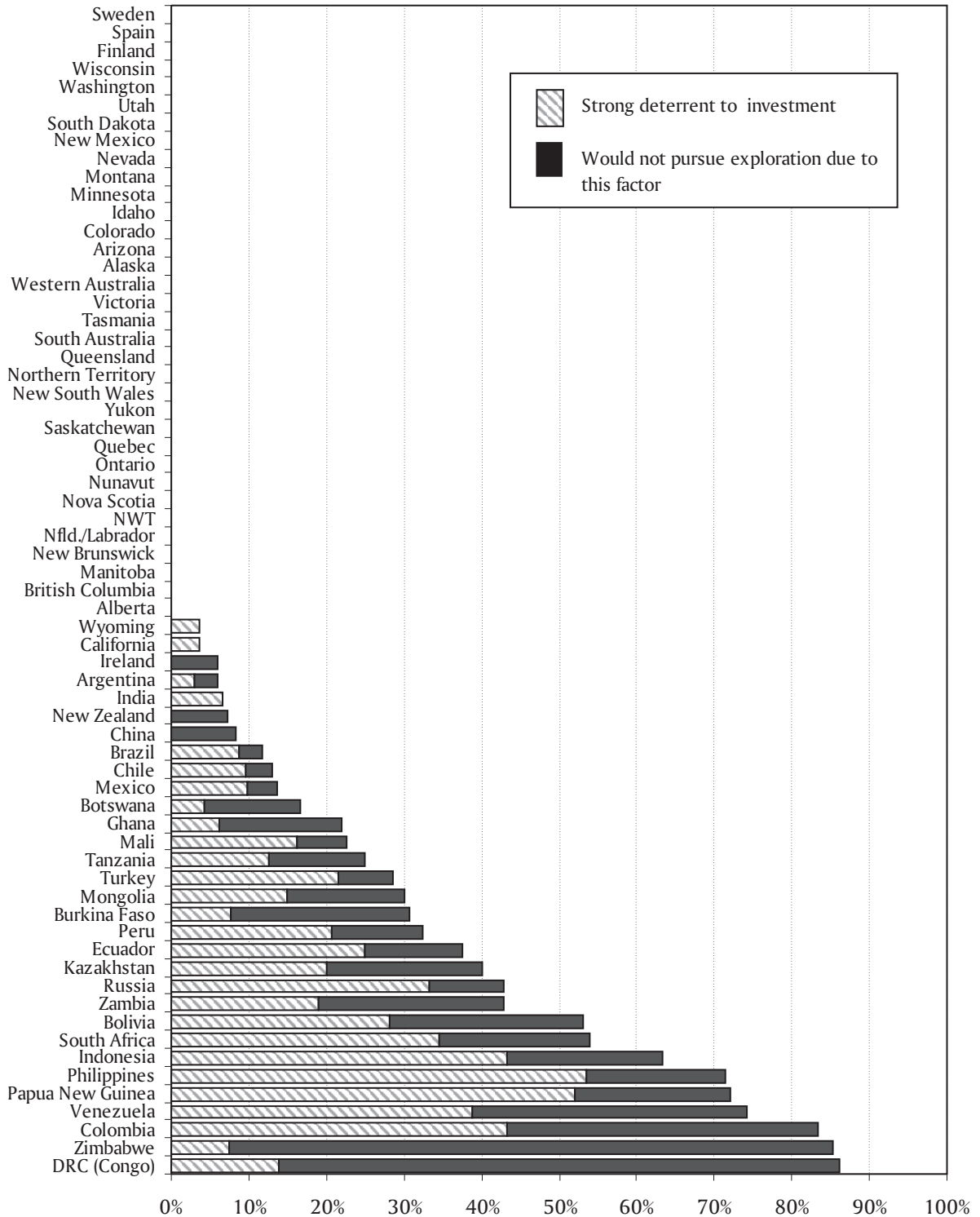
In Africa, Mali and Tanzania [have good policy environments]. In Tanzania, [there is] no equity participation by the state. In Mali, the new 1999 code is fair.

—A Producer Company with less than US\$50M Revenue, Company President

In Zimbabwe, [there is] lack of certainty in tenure and tax. Very high sovereign risk.

—An Exploration Company, Manager

Figure 16: Security



What Miners Are Saying

Focus on Asia

In the Philippines, [I was] threatened with death if assets [were] not handed over to local ownership.

—A Producer Company with less than US\$50M Revenue, Company President

Laos [has] solid and secure mining regulations.

—A Producer Company With More Than US\$50M Revenue

China [suffers from] corruption at every level [and needs to] develop a stable democratic government.

—An Exploration Company, Manager

Uzbekistan [and] Kyrgyzstan [have] uncertain political situations—with a history of taking projects from international companies.

—An Exploration Company, Business Development/Investor Relations

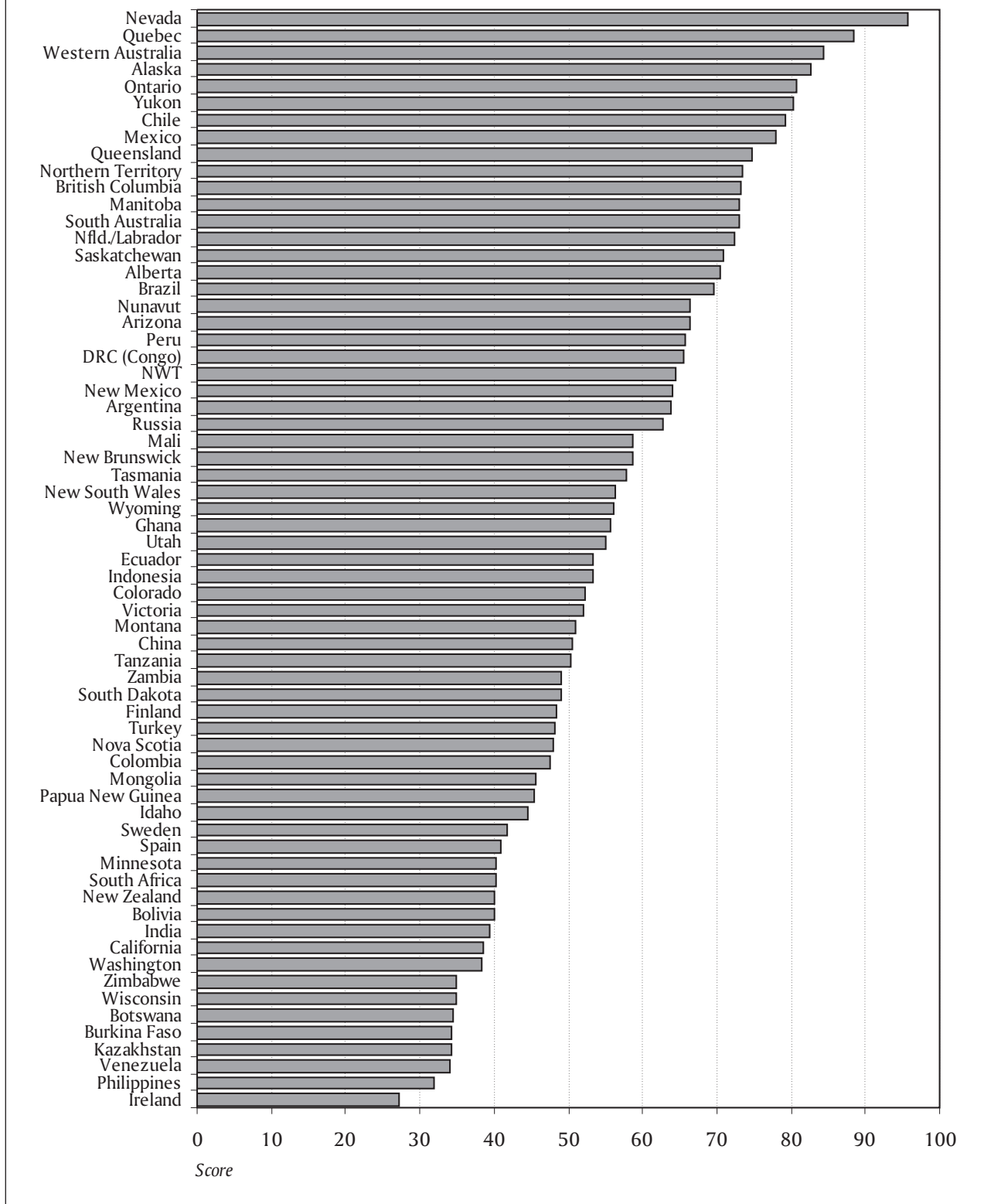
I don't think Indonesia has any policies at all. [It needs the] introduction of a comprehensive mineral exploration policy.

—An Exploration Company, Company President

Indonesia has good governmental deregulation, which has greatly eased bureaucracy and regulatory hurdles can be dealt with within 40 to 60 days only.

—An Exploration Company, Vice President

Figure 17: Composite Policy and Mineral Potential



Investment Patterns

Companies have been increasing investments over the past five years, doubtless due to increasing global growth over the period and to the increasing demand for commodities being created by newly industrialized nations, most notably China.

Among exploration companies, 79 percent said they had increased spending in 2006, compared to just 9 percent that indicated decreases from 2005. For producer companies with more than US\$50 revenue, 64 percent indicated increased spending while none said they had decreased spending compared to 2005. For producer companies with less than US\$50 revenue, 65 percent increased spending compared to 15 percent that decreased spending. Just under three-quarters of other respondents indicated increased spending, compared to 8 percent with decreased spending.

Table 4: Has Your Total (Worldwide) Exploration Expenditure Increased, Decreased, or Remained the Same Over the Five Year Period, 2000-2004?

Exploration companies (number)

- 96 increased
- 9 decreased
- 16 unchanged

A producer company with more than US\$50 revenue (number)

- 7 increased
- 0 decreased
- 4 unchanged

A producer company with less than US\$50 revenue (number)

- 13 increased
- 3 decreased
- 4 unchanged

Other (number)

- 63 increased
 - 7 decreased
 - 23 unchanged
-

Table 5: What Commodity is Assigned the Largest Portion of Your Budget?

	Number	Percent
Gold	75	43%
Copper	29	17%
Nickel	11	6%
Silver	11	6%
Diamond	7	4%
Zinc	10	6%
Platinum	1	1%
Other	30	17%

Table 6: Who Responded to the Survey?

- 73 presidents
 - 30 vice-presidents
 - 25 managers
 - 16 consultants
 - 29 others
 - 160 did not indicate
-

Overall, our respondents indicated that they spent \$1.02 billion in 2006 compared to \$644 million in 2005.

Finally, it remains true that “all that glitters is gold.” We asked which mineral represents the greatest proportion of each company’s budget: 43 percent those responding to this question indicated gold. No other metal came close.

Figure 18: Exploration Budget by Company Type in \$US, 2005/2006

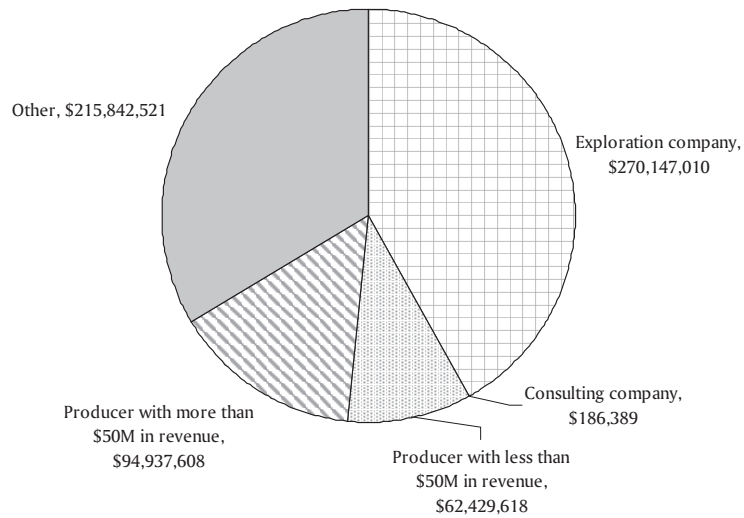
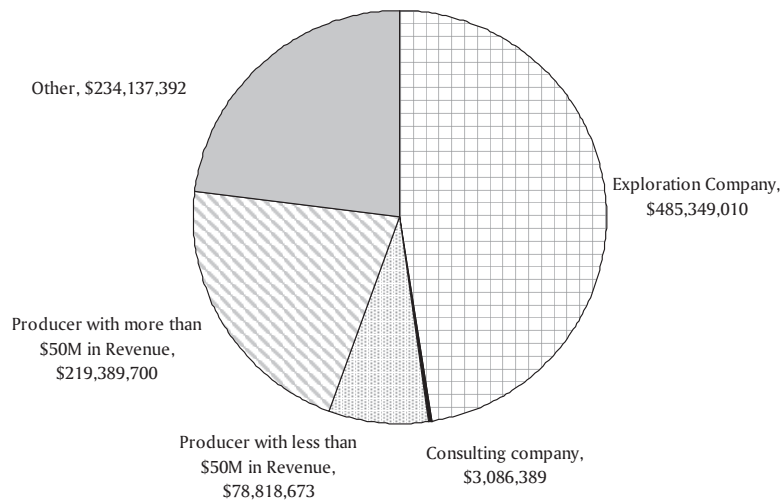


Figure 19: Exploration Budget by Company Type in \$US, 2006/2007



Tabular Material: Appendix

The following tables provide a complete description of the answers for each policy question for each jurisdiction. Tables A1 through to A14 parallel figures in the main body of the report. Table A15 provides the answer to the question: “What jurisdiction has the best (worst) policy environment?” Jurisdictions are ranked by best “net” response—the number of respondents who rated a jurisdiction “best” minus the number of respondents that rated the same jurisdiction “worst.” The table only includes jurisdictions listed in the survey. Tables A16a and A16b report on a question we added this year, asking respondents about the value of a selection of jurisdictions already in the survey and potential new additions.

Table A1: Mineral Potential Assuming Current Regulations and Land Use Restrictions, 2006

1: Encourages Investment

2: Not a Deterrent to investment

3: Mild Deterrent

4: Strong Deterrent

5: Would not pursue investment due to this factor

	1	2	3	4	5
Canada					
Alberta	37%	43%	16%	4%	0%
British Columbia	22%	41%	27%	8%	2%
Manitoba	38%	39%	20%	1%	1%
New Brunswick	28%	32%	32%	6%	2%
Nfld./Labrador	28%	44%	25%	4%	0%
NWT	22%	42%	24%	12%	0%
Nova Scotia	21%	28%	40%	7%	5%
Nunavut	26%	38%	27%	5%	3%
Ontario	40%	46%	10%	4%	0%
Quebec	68%	25%	6%	1%	0%
Saskatchewan	34%	36%	28%	2%	0%
Yukon	21%	55%	19%	4%	1%
USA					
Alaska	29%	49%	17%	2%	2%
Arizona	19%	50%	19%	6%	6%
California	0%	16%	19%	39%	26%
Colorado	4%	31%	35%	23%	8%
Idaho	12%	36%	40%	12%	0%
Minnesota	7%	17%	52%	17%	7%
Montana	11%	17%	31%	17%	23%
Nevada	67%	29%	4%	0%	0%
New Mexico	13%	58%	21%	4%	4%
South Dakota	9%	18%	50%	18%	5%
Utah	0%	64%	27%	0%	9%
Washington	0%	15%	42%	23%	19%
Wisconsin	0%	21%	34%	21%	24%
Wyoming	19%	48%	26%	7%	0%
Australia					
New South Wales	26%	45%	26%	3%	0%
Northern Territory	37%	50%	13%	0%	0%
Queensland	34%	53%	13%	0%	0%
South Australia	40%	48%	12%	0%	0%
Tasmania	19%	43%	29%	10%	0%
Victoria	12%	32%	48%	8%	0%
Western Australia	44%	46%	5%	0%	5%

Table A1: Mineral Potential Assuming Current Regulations and Land Use Restrictions, 2006

1: Encourages Investment

2: Not a Deterrent to investment

3: Mild Deterrent

4: Strong Deterrent

5: Would not pursue investment due to this factor

	1	2	3	4	5
Oceania					+
Indonesia	19%	22%	34%	19%	6%
New Zealand	0%	33%	42%	17%	8%
Papua New Guinea	14%	32%	23%	18%	14%
Philippines	5%	32%	23%	18%	23%
Africa					
Botswana	13%	50%	20%	3%	13%
Burkina Faso	6%	48%	24%	12%	9%
DRC (Congo)	14%	14%	30%	30%	14%
Ghana	15%	56%	18%	3%	9%
Mali	24%	38%	29%	2%	7%
South Africa	3%	25%	50%	13%	9%
Tanzania	19%	48%	19%	3%	10%
Zambia	21%	39%	14%	14%	11%
Zimbabwe	3%	3%	11%	33%	50%
Latin America					+
Argentina	5%	49%	29%	7%	10%
Bolivia	9%	21%	15%	26%	29%
Brazil	33%	45%	15%	3%	5%
Chile	40%	43%	11%	0%	6%
Colombia	6%	42%	29%	10%	13%
Ecuador	13%	31%	28%	19%	9%
Mexico	25%	45%	25%	2%	3%
Peru	13%	33%	30%	20%	5%
Venezuela	0%	26%	6%	32%	35%
Eurasia					+
China	10%	24%	38%	10%	17%
Finland	12%	64%	16%	4%	4%
India	0%	33%	60%	7%	0%
Ireland	0%	37%	26%	21%	16%
Kazakhstan	13%	21%	17%	21%	29%
Mongolia	4%	23%	12%	35%	27%
Russia	4%	16%	24%	36%	20%
Spain	5%	32%	53%	11%	0%
Sweden	23%	35%	35%	8%	0%
Turkey	13%	50%	38%	0%	0%

Table A2: Policy/Mineral Potential Assuming No Land Use Restrictions in Place and Assuming Industry “Best Practices”

1: Encourages Investment

2: Not a Deterrent to investment

3: Mild Deterrent

4: Strong Deterrent

5: Would not pursue investment due to this factor

	1	2	3	4	5
Canada					+
Alberta	48%	21%	25%	5%	0%
British Columbia	70%	22%	8%	0%	0%
Manitoba	51%	37%	12%	0%	0%
New Brunswick	34%	37%	16%	13%	0%
Nfld./Labrador	64%	29%	7%	0%	0%
NWT	66%	32%	2%	0%	0%
Nova Scotia	26%	38%	21%	12%	3%
Nunavut	68%	28%	4%	0%	0%
Ontario	74%	23%	3%	0%	0%
Quebec	78%	19%	3%	0%	0%
Saskatchewan	57%	26%	17%	0%	0%
Yukon	70%	25%	5%	0%	0%
USA					
Alaska	79%	18%	3%	0%	0%
Arizona	54%	32%	14%	0%	0%
California	36%	25%	36%	4%	0%
Colorado	42%	29%	25%	4%	0%
Idaho	25%	50%	25%	0%	0%
Minnesota	26%	39%	26%	4%	4%
Montana	42%	42%	12%	0%	4%
Nevada	85%	10%	4%	0%	0%
New Mexico	48%	33%	19%	0%	0%
South Dakota	32%	21%	37%	11%	0%
Utah	28%	44%	22%	6%	0%
Washington	32%	32%	23%	14%	0%
Wisconsin	30%	30%	30%	10%	0%
Wyoming	38%	24%	24%	14%	0%
Australia					+
New South Wales	37%	44%	15%	4%	0%
Northern Territory	62%	35%	4%	0%	0%
Queensland	60%	33%	7%	0%	0%
South Australia	54%	38%	8%	0%	0%
Tasmania	38%	48%	10%	5%	0%
Victoria	30%	35%	30%	4%	0%
Western Australia	79%	18%	3%	0%	0%

Table A2: Policy/Mineral Potential Assuming No Land Use Restrictions in Place and Assuming Industry “Best Practices”

1: Encourages Investment

2: Not a Deterrent to investment

3: Mild Deterrent

4: Strong Deterrent

5: Would not pursue investment due to this factor

	1	2	3	4	5
					+
Oceania					
Indonesia	63%	30%	4%	0%	4%
New Zealand	27%	36%	27%	9%	0%
Papua New Guinea	57%	39%	4%	0%	0%
Philippines	38%	46%	13%	4%	0%
					+
Africa					
Botswana	22%	56%	15%	4%	4%
Burkina Faso	29%	50%	13%	4%	4%
D.R.C. (Congo)	83%	0%	7%	3%	7%
Ghana	54%	32%	7%	4%	4%
Mali	60%	27%	7%	3%	3%
South Africa	41%	33%	15%	7%	4%
Tanzania	48%	28%	16%	4%	4%
Zambia	52%	30%	9%	4%	4%
Zimbabwe	48%	8%	32%	8%	4%
					+
Latin America					
Argentina	68%	25%	3%	3%	3%
Bolivia	52%	34%	10%	3%	0%
Brazil	70%	28%	0%	3%	0%
Chile	76%	16%	3%	3%	3%
Colombia	54%	39%	0%	4%	4%
Ecuador	59%	29%	9%	3%	0%
Mexico	74%	13%	11%	2%	0%
Peru	76%	13%	5%	3%	3%
Venezuela	46%	29%	17%	4%	4%
					+
Eurasia					
China	56%	24%	16%	0%	4%
Finland	33%	48%	19%	0%	0%
India	38%	38%	25%	0%	0%
Ireland	12%	18%	53%	18%	0%
Kazakhstan	40%	45%	10%	0%	5%
Mongolia	58%	33%	4%	0%	4%
Russia	80%	12%	4%	0%	4%
Spain	18%	35%	29%	18%	0%
Sweden	22%	39%	35%	4%	0%
Turkey	39%	44%	17%	0%	0%

Table A3: Uncertainty Concerning the Administration, Interpretation, and Enforcement of Existing Regulations

1: Encourages Investment

2: Not a Deterrent to investment

3: Mild Deterrent

4: Strong Deterrent

5: Would not pursue investment due to this factor

	1	2	3	4	5
Canada					+
Alberta	43%	43%	10%	1%	3%
British Columbia	29%	36%	24%	6%	4%
Manitoba	36%	42%	19%	1%	2%
New Brunswick	20%	49%	24%	4%	3%
Nfld./Labrador	28%	41%	20%	4%	7%
NWT	24%	35%	30%	8%	2%
Nova Scotia	15%	38%	36%	7%	4%
Nunavut	16%	40%	35%	6%	3%
Ontario	40%	32%	17%	8%	3%
Quebec	62%	23%	12%	2%	1%
Saskatchewan	36%	37%	19%	6%	2%
Yukon	37%	40%	18%	1%	3%
					+
USA					
Alaska	26%	38%	26%	3%	7%
Arizona	17%	47%	19%	8%	9%
California	9%	15%	19%	28%	29%
Colorado	8%	27%	31%	18%	16%
Idaho	8%	44%	32%	5%	11%
Minnesota	7%	25%	36%	20%	11%
Montana	11%	20%	28%	14%	27%
Nevada	51%	28%	13%	5%	3%
New Mexico	12%	46%	31%	4%	8%
South Dakota	10%	34%	38%	8%	10%
Utah	13%	37%	41%	2%	7%
Washington	11%	24%	33%	15%	17%
Wisconsin	8%	25%	23%	17%	27%
Wyoming	21%	38%	29%	6%	6%
					+
Australia					
New South Wales	30%	42%	16%	7%	5%
Northern Territory	35%	42%	12%	8%	4%
Queensland	31%	44%	15%	5%	5%
South Australia	36%	42%	13%	4%	6%
Tasmania	22%	39%	25%	6%	8%
Victoria	15%	49%	24%	9%	4%
Western Australia	47%	37%	7%	3%	7%

Table A3: Uncertainty Concerning the Administration, Interpretation, and Enforcement of Existing Regulations

1: Encourages Investment

2: Not a Deterrent to investment

3: Mild Deterrent

4: Strong Deterrent

5: Would not pursue investment due to this factor

	1	2	3	4	5
					+
Oceania					
Indonesia	7%	19%	28%	21%	25%
New Zealand	8%	33%	37%	10%	12%
Papua New Guinea	7%	29%	25%	20%	20%
Philippines	6%	24%	27%	16%	27%
					+
Africa					
Botswana	29%	33%	13%	8%	17%
Burkina Faso	14%	22%	35%	12%	18%
D.R.C. (Congo)	11%	18%	14%	23%	34%
Ghana	20%	34%	25%	7%	14%
Mali	23%	33%	18%	11%	16%
South Africa	13%	26%	33%	15%	13%
Tanzania	15%	35%	29%	10%	12%
Zambia	20%	18%	32%	14%	16%
Zimbabwe	12%	7%	11%	12%	58%
					+
Latin America					
Argentina	22%	38%	27%	5%	8%
Bolivia	14%	7%	22%	20%	37%
Brazil	20%	36%	31%	3%	10%
Chile	43%	34%	16%	2%	5%
Colombia	8%	28%	34%	8%	23%
Ecuador	14%	35%	26%	18%	8%
Mexico	26%	43%	17%	7%	7%
Peru	30%	28%	25%	7%	10%
Venezuela	7%	9%	14%	19%	52%
					+
Eurasia					
China	11%	21%	23%	21%	23%
Finland	17%	50%	21%	8%	4%
India	9%	27%	36%	22%	7%
Ireland	11%	35%	37%	9%	9%
Kazakhstan	8%	12%	24%	29%	27%
Mongolia	8%	10%	18%	28%	35%
Russia	4%	9%	15%	36%	36%
Spain	5%	27%	45%	18%	5%
Sweden	4%	53%	22%	12%	8%
Turkey	7%	31%	31%	17%	14%

Table A4: Environmental Regulations

1: Encourages Investment

2: Not a Deterrent to investment

3: Mild Deterrent

4: Strong Deterrent

5: Would not pursue investment due to this factor

	1	2	3	4	5
Canada					+
Alberta	35%	29%	27%	2%	6%
British Columbia	13%	24%	44%	13%	5%
Manitoba	15%	44%	29%	6%	6%
New Brunswick	19%	31%	34%	9%	6%
Nfld./Labrador	21%	31%	38%	5%	5%
NWT	15%	30%	23%	26%	6%
Nova Scotia	12%	32%	50%	0%	6%
Nunavut	18%	25%	35%	18%	4%
Ontario	25%	34%	31%	7%	3%
Quebec	32%	44%	16%	5%	4%
Saskatchewan	14%	39%	34%	7%	7%
Yukon	15%	43%	30%	7%	7%
					+
USA					
Alaska	11%	33%	36%	14%	6%
Arizona	12%	33%	36%	12%	6%
California	3%	12%	12%	42%	30%
Colorado	7%	14%	36%	36%	7%
Idaho	4%	30%	41%	15%	11%
Minnesota	5%	14%	33%	29%	19%
Montana	0%	7%	32%	36%	25%
Nevada	26%	39%	24%	8%	3%
New Mexico	4%	48%	35%	9%	4%
South Dakota	5%	20%	45%	20%	10%
Utah	14%	19%	52%	5%	10%
Washington	0%	4%	52%	22%	22%
Wisconsin	5%	5%	36%	18%	36%
Wyoming	8%	40%	32%	8%	12%
					+
Australia					
New South Wales	6%	34%	50%	6%	3%
Northern Territory	0%	56%	33%	4%	7%
Queensland	7%	39%	43%	4%	7%
South Australia	19%	35%	38%	0%	8%
Tasmania	4%	33%	46%	8%	8%
Victoria	4%	16%	56%	16%	8%
Western Australia	28%	40%	20%	4%	8%

Table A4: Environmental Regulations

1: Encourages Investment

2: Not a Deterrent to investment

3: Mild Deterrent

4: Strong Deterrent

5: Would not pursue investment due to this factor

	1	2	3	4	5
					+
Oceania					
Indonesia	9%	32%	50%	0%	9%
New Zealand	0%	11%	50%	28%	11%
Papua New Guinea	20%	35%	25%	10%	10%
Philippines	16%	37%	26%	11%	11%
					+
Africa					
Botswana	24%	48%	24%	0%	4%
Burkina Faso	13%	70%	13%	0%	4%
D.R.C. (Congo)	16%	58%	21%	0%	5%
Ghana	17%	46%	33%	0%	4%
Mali	15%	65%	15%	0%	5%
South Africa	22%	48%	22%	4%	4%
Tanzania	27%	50%	18%	0%	5%
Zambia	30%	40%	20%	5%	5%
Zimbabwe	13%	43%	22%	4%	17%
					+
Latin America					
Argentina	13%	50%	17%	17%	3%
Bolivia	15%	35%	30%	5%	15%
Brazil	24%	38%	33%	0%	5%
Chile	35%	42%	19%	0%	4%
Colombia	18%	41%	35%	0%	6%
Ecuador	23%	41%	32%	0%	5%
Mexico	21%	56%	21%	3%	0%
Peru	31%	23%	35%	4%	8%
Venezuela	21%	7%	14%	36%	21%
					+
Eurasia					
China	41%	23%	18%	14%	5%
Finland	11%	17%	56%	6%	11%
India	7%	27%	53%	0%	13%
Ireland	6%	19%	50%	13%	13%
Kazakhstan	0%	20%	53%	7%	20%
Mongolia	11%	21%	47%	0%	21%
Russia	17%	28%	33%	11%	11%
Spain	6%	25%	50%	6%	13%
Sweden	10%	25%	45%	10%	10%
Turkey	13%	27%	47%	0%	13%

Table A5: Regulatory Duplication and Inconsistency

- 1: Encourages Investment**
2: Not a Deterrent to investment
3: Mild Deterrent
4: Strong Deterrent
5: Would not pursue investment due to this factor

	1	2	3	4	5
Canada					+
Alberta	33%	44%	17%	2%	5%
British Columbia	18%	38%	33%	8%	2%
Manitoba	36%	36%	24%	2%	2%
New Brunswick	28%	28%	39%	3%	3%
Nfld./Labrador	24%	29%	32%	10%	5%
NWT	12%	31%	32%	20%	5%
Nova Scotia	12%	29%	41%	12%	6%
Nunavut	15%	25%	34%	19%	7%
Ontario	41%	31%	16%	9%	3%
Quebec	54%	22%	19%	3%	2%
Saskatchewan	34%	36%	23%	4%	2%
Yukon	22%	38%	31%	7%	2%
					+
USA					
Alaska	26%	31%	26%	12%	5%
Arizona	14%	32%	32%	5%	16%
California	6%	17%	31%	19%	28%
Colorado	18%	18%	36%	15%	12%
Idaho	10%	29%	45%	3%	13%
Minnesota	17%	14%	55%	3%	10%
Montana	18%	16%	36%	16%	14%
Nevada	47%	26%	19%	4%	4%
New Mexico	24%	24%	38%	7%	7%
South Dakota	11%	19%	48%	15%	7%
Utah	18%	36%	43%	0%	4%
Washington	11%	22%	33%	19%	15%
Wisconsin	13%	17%	46%	8%	17%
Wyoming	28%	31%	34%	0%	7%
					+
Australia					
New South Wales	11%	47%	34%	3%	5%
Northern Territory	23%	46%	23%	3%	6%
Queensland	16%	43%	32%	5%	3%
South Australia	36%	33%	21%	6%	3%
Tasmania	16%	29%	48%	3%	3%
Victoria	9%	28%	50%	9%	3%
Western Australia	26%	44%	23%	3%	5%

Table A5: Regulatory Duplication and Inconsistency

1: Encourages Investment

2: Not a Deterrent to investment

3: Mild Deterrent

4: Strong Deterrent

5: Would not pursue investment due to this factor

	1	2	3	4	5
Oceania					+
Indonesia	8%	14%	28%	33%	17%
New Zealand	11%	18%	46%	18%	7%
Papua New Guinea	10%	20%	30%	20%	20%
Philippines	3%	19%	35%	19%	23%
Africa					+
Botswana	24%	34%	31%	3%	7%
Burkina Faso	15%	37%	30%	11%	7%
D.R.C. (Congo)	13%	28%	25%	22%	13%
Ghana	19%	26%	42%	6%	6%
Mali	13%	32%	42%	6%	6%
South Africa	13%	22%	44%	16%	6%
Tanzania	14%	41%	28%	10%	7%
Zambia	10%	35%	39%	6%	10%
Zimbabwe	13%	13%	16%	6%	52%
Latin America					+
Argentina	7%	43%	26%	14%	10%
Bolivia	8%	13%	26%	28%	26%
Brazil	10%	33%	40%	8%	10%
Chile	18%	44%	26%	5%	8%
Colombia	6%	27%	33%	21%	12%
Ecuador	17%	20%	31%	20%	11%
Mexico	16%	46%	30%	2%	6%
Peru	20%	29%	29%	11%	11%
Venezuela	9%	14%	23%	14%	40%
Eurasia					+
China	5%	18%	29%	26%	21%
Finland	12%	39%	30%	9%	9%
India	12%	16%	28%	28%	16%
Ireland	8%	46%	31%	4%	12%
Kazakhstan	4%	15%	41%	15%	26%
Mongolia	6%	6%	32%	23%	32%
Russia	9%	9%	25%	34%	22%
Spain	8%	20%	56%	4%	12%
Sweden	10%	37%	33%	10%	10%
Turkey	13%	17%	43%	13%	13%

Table A6: Taxation Regime

- 1: Encourages Investment**
2: Not a Deterrent to investment
3: Mild Deterrent
4: Strong Deterrent
5: Would not pursue investment due to this factor

	1	2	3	4	5
Canada					+
Alberta	50%	35%	10%	3%	2%
British Columbia	28%	41%	22%	7%	2%
Manitoba	37%	39%	12%	10%	2%
New Brunswick	24%	39%	21%	12%	3%
Nfld./Labrador	21%	49%	18%	10%	3%
NWT	20%	49%	14%	14%	2%
Nova Scotia	19%	44%	22%	13%	3%
Nunavut	15%	43%	26%	11%	4%
Ontario	35%	40%	13%	10%	1%
Quebec	51%	27%	7%	12%	3%
Saskatchewan	26%	47%	13%	11%	3%
Yukon	35%	38%	20%	4%	4%
USA					+
Alaska	18%	55%	21%	3%	3%
Arizona	25%	43%	14%	11%	7%
California	15%	35%	8%	23%	19%
Colorado	27%	32%	23%	14%	5%
Idaho	15%	50%	20%	5%	10%
Minnesota	24%	18%	41%	12%	6%
Montana	35%	29%	19%	6%	10%
Nevada	50%	37%	3%	7%	3%
New Mexico	29%	29%	24%	14%	5%
South Dakota	22%	33%	28%	11%	6%
Utah	22%	50%	17%	6%	6%
Washington	16%	37%	26%	11%	11%
Wisconsin	16%	26%	32%	11%	16%
Wyoming	24%	52%	14%	5%	5%
Australia					+
New South Wales	17%	45%	21%	14%	3%
Northern Territory	28%	44%	12%	12%	4%
Queensland	21%	38%	24%	14%	3%
South Australia	26%	44%	15%	11%	4%
Tasmania	21%	42%	25%	8%	4%
Victoria	24%	44%	20%	8%	4%
Western Australia	25%	46%	14%	7%	7%

Table A6: Taxation Regime**1: Encourages Investment****2: Not a Deterrent to investment****3: Mild Deterrent****4: Strong Deterrent****5: Would not pursue investment due to this factor**

	1	2	3	4	5
					+
Oceania					
Indonesia	12%	28%	24%	20%	16%
New Zealand	10%	35%	35%	15%	5%
Papua New Guinea	10%	35%	20%	20%	15%
Philippines	11%	28%	28%	17%	17%
					+
Africa					
Botswana	25%	33%	25%	8%	8%
Burkina Faso	13%	30%	35%	13%	9%
D.R.C. (Congo)	17%	22%	30%	22%	9%
Ghana	19%	48%	15%	11%	7%
Mali	18%	36%	25%	14%	7%
South Africa	8%	35%	19%	27%	12%
Tanzania	4%	44%	24%	20%	8%
Zambia	17%	30%	26%	13%	13%
Zimbabwe	8%	8%	17%	29%	38%
					+
Latin America					
Argentina	10%	45%	24%	14%	7%
Bolivia	7%	33%	15%	26%	19%
Brazil	17%	24%	41%	14%	3%
Chile	19%	48%	19%	3%	10%
Colombia	5%	42%	21%	16%	16%
Ecuador	16%	44%	16%	16%	8%
Mexico	16%	46%	27%	5%	5%
Peru	26%	26%	19%	15%	15%
Venezuela	4%	26%	13%	22%	35%
					+
Eurasia					
China	7%	22%	30%	19%	22%
Finland	19%	33%	29%	10%	10%
India	7%	20%	33%	33%	7%
Ireland	11%	39%	28%	11%	11%
Kazakhstan	6%	12%	47%	18%	18%
Mongolia	4%	13%	22%	30%	30%
Russia	5%	10%	29%	33%	24%
Spain	13%	13%	60%	7%	7%
Sweden	11%	42%	26%	16%	5%
Turkey	18%	24%	35%	18%	6%

Table A7: Uncertainty Concerning Native Land Claims

1: Encourages Investment

2: Not a Deterrent to investment

3: Mild Deterrent

4: Strong Deterrent

5: Would not pursue investment due to this factor

	1	2	3	4	5
Canada					+
Alberta	17%	45%	31%	3%	3%
British Columbia	3%	17%	41%	33%	7%
Manitoba	10%	44%	35%	4%	6%
New Brunswick	16%	41%	31%	3%	9%
Nfld./Labrador	18%	29%	34%	8%	11%
NWT	8%	23%	33%	27%	10%
Nova Scotia	9%	41%	34%	3%	13%
Nunavut	9%	29%	31%	18%	13%
Ontario	11%	24%	45%	10%	10%
Quebec	29%	29%	34%	0%	7%
Saskatchewan	8%	40%	40%	8%	5%
Yukon	5%	47%	32%	7%	8%
USA					+
Alaska	42%	35%	13%	6%	3%
Arizona	36%	36%	23%	0%	5%
California	25%	35%	20%	10%	10%
Colorado	25%	40%	25%	0%	10%
Idaho	14%	50%	29%	0%	7%
Minnesota	15%	31%	38%	8%	8%
Montana	30%	45%	10%	10%	5%
Nevada	55%	35%	6%	0%	3%
New Mexico	22%	50%	22%	0%	6%
South Dakota	21%	21%	43%	7%	7%
Utah	27%	47%	20%	0%	7%
Washington	14%	21%	50%	0%	14%
Wisconsin	15%	46%	15%	15%	8%
Wyoming	29%	53%	12%	0%	6%
Australia					+
New South Wales	10%	48%	21%	10%	10%
Northern Territory	7%	33%	37%	11%	11%
Queensland	10%	34%	31%	14%	10%
South Australia	12%	35%	42%	4%	8%
Tasmania	13%	39%	30%	9%	9%
Victoria	7%	50%	29%	7%	7%
Western Australia	10%	32%	35%	16%	6%

Table A7: Uncertainty Concerning Native Land Claims

1: Encourages Investment

2: Not a Deterrent to investment

3: Mild Deterrent

4: Strong Deterrent

5: Would not pursue investment due to this factor

	1	2	3	4	5
Oceania					+
Indonesia	0%	36%	41%	18%	5%
New Zealand	0%	28%	50%	17%	6%
Papua New Guinea	0%	21%	32%	42%	5%
Philippines	0%	33%	22%	28%	17%
Africa					+
Botswana	16%	36%	28%	8%	12%
Burkina Faso	24%	33%	19%	10%	14%
D.R.C. (Congo)	21%	11%	32%	21%	16%
Ghana	20%	36%	24%	8%	12%
Mali	27%	31%	23%	8%	12%
South Africa	4%	21%	13%	42%	21%
Tanzania	10%	48%	19%	10%	14%
Zambia	10%	35%	30%	10%	15%
Zimbabwe	0%	9%	9%	23%	59%
Latin America					+
Argentina	28%	40%	16%	8%	8%
Bolivia	7%	7%	26%	33%	26%
Brazil	26%	26%	26%	15%	7%
Chile	33%	43%	5%	10%	10%
Colombia	5%	21%	47%	16%	11%
Ecuador	12%	16%	40%	24%	8%
Mexico	23%	26%	38%	10%	3%
Peru	16%	20%	28%	24%	12%
Venezuela	4%	17%	17%	35%	26%
Eurasia					+
China	26%	32%	11%	16%	16%
Finland	40%	25%	20%	5%	10%
India	15%	15%	46%	8%	15%
Ireland	40%	33%	7%	7%	13%
Kazakhstan	31%	23%	15%	8%	23%
Mongolia	14%	29%	21%	14%	21%
Russia	13%	40%	27%	7%	13%
Spain	31%	38%	19%	6%	6%
Sweden	26%	37%	26%	5%	5%
Turkey	33%	27%	27%	0%	13%

Table A8: Uncertainty over which Areas will be Protected as Wilderness or Parks

1: Encourages Investment

2: Not a Deterrent to investment

3: Mild Deterrent

4: Strong Deterrent

5: Would not pursue investment due to this factor

	1	2	3	4	5
Canada					+
Alberta	22%	61%	10%	6%	2%
British Columbia	4%	27%	36%	30%	3%
Manitoba	19%	52%	21%	5%	2%
New Brunswick	18%	43%	25%	11%	4%
Nfld./Labrador	6%	61%	18%	9%	6%
NWT	9%	34%	19%	34%	4%
Nova Scotia	8%	48%	28%	8%	8%
Nunavut	9%	18%	40%	22%	11%
Ontario	19%	35%	26%	17%	4%
Quebec	31%	42%	13%	13%	2%
Saskatchewan	13%	55%	16%	13%	3%
Yukon	12%	44%	33%	8%	4%
					+
USA					
Alaska	12%	54%	15%	15%	4%
Arizona	22%	30%	35%	0%	13%
California	4%	27%	27%	23%	19%
Colorado	18%	23%	41%	14%	5%
Idaho	6%	38%	38%	6%	13%
Minnesota	17%	28%	33%	17%	6%
Montana	8%	44%	24%	8%	16%
Nevada	39%	33%	18%	6%	3%
New Mexico	24%	47%	24%	0%	6%
South Dakota	7%	33%	47%	7%	7%
Utah	20%	53%	20%	0%	7%
Washington	7%	21%	21%	36%	14%
Wisconsin	6%	31%	6%	31%	25%
Wyoming	29%	41%	12%	6%	12%
					+
Australia					
New South Wales	14%	46%	29%	4%	7%
Northern Territory	16%	44%	28%	4%	8%
Queensland	19%	48%	26%	0%	7%
South Australia	27%	36%	27%	0%	9%
Tasmania	10%	30%	45%	5%	10%
Victoria	4%	39%	39%	9%	9%
Western Australia	29%	36%	25%	0%	11%

Table A8: Uncertainty over which Areas will be Protected as Wilderness or Parks

1: Encourages Investment

2: Not a Deterrent to investment

3: Mild Deterrent

4: Strong Deterrent

5: Would not pursue investment due to this factor

	1	2	3	4	5
					+
Oceania					
Indonesia	0%	32%	26%	32%	11%
New Zealand	6%	24%	59%	6%	6%
Papua New Guinea	0%	33%	40%	13%	13%
Philippines	0%	29%	36%	14%	21%
					+
Africa					
Botswana	24%	38%	29%	5%	5%
Burkina Faso	9%	64%	18%	5%	5%
D.R.C. (Congo)	15%	50%	15%	15%	5%
Ghana	10%	40%	35%	10%	5%
Mali	18%	64%	5%	9%	5%
South Africa	5%	52%	19%	19%	5%
Tanzania	22%	50%	17%	6%	6%
Zambia	18%	41%	18%	12%	12%
Zimbabwe	15%	20%	10%	20%	35%
					+
Latin America					
Argentina	8%	40%	24%	20%	8%
Bolivia	10%	29%	24%	19%	19%
Brazil	16%	40%	28%	8%	8%
Chile	22%	57%	13%	4%	4%
Colombia	6%	50%	0%	31%	13%
Ecuador	19%	33%	14%	24%	10%
Mexico	28%	53%	14%	3%	3%
Peru	21%	38%	13%	21%	8%
Venezuela	6%	28%	11%	28%	28%
					+
Eurasia					
China	15%	50%	20%	5%	10%
Finland	37%	42%	16%	0%	5%
India	8%	33%	33%	17%	8%
Ireland	23%	38%	31%	0%	8%
Kazakhstan	8%	42%	25%	8%	17%
Mongolia	13%	27%	27%	13%	20%
Russia	7%	43%	36%	0%	14%
Spain	20%	33%	40%	0%	7%
Sweden	12%	53%	24%	6%	6%
Turkey	15%	54%	31%	0%	0%

Table A9: Quality of Infrastructure

1: Encourages Investment

2: Not a Deterrent to investment

3: Mild Deterrent

4: Strong Deterrent

5: Would not pursue investment due to this factor

	1	2	3	4	5
Canada					+
Alberta	66%	27%	4%	1%	1%
British Columbia	36%	38%	19%	6%	2%
Manitoba	43%	40%	15%	0%	2%
New Brunswick	49%	43%	5%	0%	3%
Nfld./Labrador	14%	53%	26%	5%	2%
NWT	10%	20%	41%	23%	7%
Nova Scotia	31%	44%	19%	3%	3%
Nunavut	11%	16%	32%	30%	11%
Ontario	51%	35%	12%	1%	1%
Quebec	57%	33%	7%	2%	2%
Saskatchewan	42%	40%	13%	2%	2%
Yukon	17%	32%	33%	16%	2%
					+
USA					
Alaska	8%	42%	28%	19%	3%
Arizona	50%	28%	16%	0%	6%
California	41%	33%	11%	11%	4%
Colorado	46%	31%	19%	0%	4%
Idaho	52%	29%	10%	0%	10%
Minnesota	25%	50%	15%	5%	5%
Montana	48%	35%	10%	0%	6%
Nevada	71%	20%	7%	0%	2%
New Mexico	41%	41%	14%	0%	5%
South Dakota	39%	17%	39%	0%	6%
Utah	53%	32%	11%	0%	5%
Washington	35%	29%	24%	6%	6%
Wisconsin	31%	44%	13%	6%	6%
Wyoming	48%	33%	10%	5%	5%
					+
Australia					
New South Wales	50%	34%	13%	0%	3%
Northern Territory	20%	37%	33%	7%	3%
Queensland	36%	52%	6%	3%	3%
South Australia	38%	41%	14%	3%	3%
Tasmania	40%	48%	8%	0%	4%
Victoria	41%	48%	4%	4%	4%
Western Australia	41%	41%	9%	6%	3%

Table A9: Quality of Infrastructure

1: Encourages Investment

2: Not a Deterrent to investment

3: Mild Deterrent

4: Strong Deterrent

5: Would not pursue investment due to this factor

	1	2	3	4	5
Oceania					+
Indonesia	0%	22%	41%	26%	11%
New Zealand	23%	50%	18%	0%	9%
Papua New Guinea	0%	13%	17%	43%	26%
Philippines	0%	18%	36%	27%	18%
Africa					+
Botswana	10%	45%	21%	14%	10%
Burkina Faso	4%	27%	23%	31%	15%
D.R.C. (Congo)	0%	14%	21%	25%	39%
Ghana	16%	34%	22%	19%	9%
Mali	6%	26%	26%	29%	13%
South Africa	26%	39%	26%	0%	10%
Tanzania	4%	36%	32%	16%	12%
Zambia	8%	40%	28%	12%	12%
Zimbabwe	0%	25%	13%	29%	33%
Latin America					+
Argentina	6%	46%	34%	9%	6%
Bolivia	4%	12%	35%	38%	12%
Brazil	13%	22%	44%	16%	6%
Chile	21%	55%	15%	3%	6%
Colombia	5%	14%	48%	19%	14%
Ecuador	4%	22%	44%	22%	7%
Mexico	18%	41%	34%	2%	5%
Peru	10%	34%	28%	17%	10%
Venezuela	0%	29%	29%	24%	19%
Eurasia					+
China	12%	38%	27%	12%	12%
Finland	35%	48%	9%	4%	4%
India	12%	24%	24%	24%	18%
Ireland	38%	31%	19%	6%	6%
Kazakhstan	6%	22%	28%	28%	17%
Mongolia	0%	11%	33%	39%	17%
Russia	0%	18%	24%	47%	12%
Spain	44%	25%	19%	6%	6%
Sweden	42%	42%	8%	4%	4%
Turkey	25%	31%	19%	13%	13%

Table A10: Socioeconomic Agreements

1: Encourages Investment

2: Not a Deterrent to investment

3: Mild Deterrent

4: Strong Deterrent

5: Would not pursue investment due to this factor

	1	2	3	4	5
Canada					+
Alberta	37%	45%	16%	2%	0%
British Columbia	18%	47%	26%	6%	3%
Manitoba	26%	59%	15%	0%	0%
New Brunswick	33%	44%	22%	0%	0%
Nfld./Labrador	27%	45%	21%	6%	0%
NWT	17%	24%	33%	26%	0%
Nova Scotia	26%	48%	26%	0%	0%
Nunavut	23%	32%	30%	14%	2%
Ontario	27%	44%	20%	7%	2%
Quebec	45%	34%	18%	2%	0%
Saskatchewan	23%	57%	20%	0%	0%
Yukon	19%	48%	29%	2%	2%
USA					+
Alaska	14%	55%	27%	5%	0%
Arizona	22%	56%	17%	0%	6%
California	0%	56%	39%	6%	0%
Colorado	7%	53%	33%	7%	0%
Idaho	8%	67%	17%	8%	0%
Minnesota	13%	50%	31%	6%	0%
Montana	24%	48%	24%	5%	0%
Nevada	48%	45%	6%	0%	0%
New Mexico	7%	60%	27%	7%	0%
South Dakota	0%	62%	38%	0%	0%
Utah	8%	58%	33%	0%	0%
Washington	0%	46%	31%	15%	8%
Wisconsin	0%	31%	62%	8%	0%
Wyoming	29%	53%	18%	0%	0%
Australia					+
New South Wales	17%	61%	17%	4%	0%
Northern Territory	11%	53%	37%	0%	0%
Queensland	14%	68%	18%	0%	0%
South Australia	22%	61%	17%	0%	0%
Tasmania	19%	56%	19%	6%	0%
Victoria	11%	63%	26%	0%	0%
Western Australia	21%	54%	21%	0%	4%

Table A10: Socioeconomic Agreements

1: Encourages Investment

2: Not a Deterrent to investment

3: Mild Deterrent

4: Strong Deterrent

5: Would not pursue investment due to this factor

	1	2	3	4	5
Oceania					+
Indonesia	12%	29%	41%	12%	6%
New Zealand	7%	60%	20%	7%	7%
Papua New Guinea	7%	13%	53%	13%	13%
Philippines	8%	15%	54%	0%	23%
Africa					+
Botswana	11%	47%	21%	16%	5%
Burkina Faso	10%	38%	14%	33%	5%
D.R.C. (Congo)	5%	32%	32%	9%	23%
Ghana	18%	41%	23%	14%	5%
Mali	13%	42%	21%	17%	8%
South Africa	5%	24%	43%	19%	10%
Tanzania	12%	41%	24%	18%	6%
Zambia	17%	33%	28%	17%	6%
Zimbabwe	6%	11%	22%	22%	39%
Latin America					+
Argentina	8%	38%	42%	8%	4%
Bolivia	6%	22%	33%	17%	22%
Brazil	10%	43%	38%	5%	5%
Chile	15%	45%	35%	0%	5%
Colombia	7%	20%	53%	7%	13%
Ecuador	17%	17%	50%	11%	6%
Mexico	6%	44%	41%	6%	3%
Peru	11%	37%	32%	16%	5%
Venezuela	6%	12%	29%	29%	24%
Eurasia					+
China	6%	38%	38%	6%	13%
Finland	8%	54%	38%	0%	0%
India	0%	18%	45%	36%	0%
Ireland	9%	45%	27%	9%	9%
Kazakhstan	0%	29%	36%	21%	14%
Mongolia	0%	31%	23%	31%	15%
Russia	0%	15%	54%	15%	15%
Spain	9%	36%	55%	0%	0%
Sweden	21%	64%	14%	0%	0%
Turkey	10%	40%	50%	0%	0%

Table A1 I: Political Stability

1: Encourages Investment

2: Not a Deterrent to investment

3: Mild Deterrent

4: Strong Deterrent

5: Would not pursue investment due to this factor

	1	2	3	4	5
Canada					+
Alberta	90%	10%	0%	0%	0%
British Columbia	47%	28%	19%	7%	0%
Manitoba	75%	23%	2%	0%	0%
New Brunswick	83%	15%	3%	0%	0%
Nfld./Labrador	59%	24%	15%	2%	0%
NWT	53%	33%	12%	2%	0%
Nova Scotia	70%	23%	8%	0%	0%
Nunavut	47%	33%	15%	3%	2%
Ontario	68%	24%	7%	1%	0%
Quebec	68%	20%	8%	3%	2%
Saskatchewan	71%	25%	2%	2%	0%
Yukon	58%	27%	13%	1%	0%
USA					+
Alaska	73%	24%	3%	0%	0%
Arizona	61%	36%	4%	0%	0%
California	54%	35%	12%	0%	0%
Colorado	67%	25%	8%	0%	0%
Idaho	80%	15%	5%	0%	0%
Minnesota	63%	21%	13%	4%	0%
Montana	48%	39%	10%	0%	3%
Nevada	77%	23%	0%	0%	0%
New Mexico	62%	33%	5%	0%	0%
South Dakota	58%	32%	11%	0%	0%
Utah	67%	33%	0%	0%	0%
Washington	69%	13%	6%	13%	0%
Wisconsin	58%	21%	5%	11%	5%
Wyoming	83%	17%	0%	0%	0%
Australia					+
New South Wales	70%	30%	0%	0%	0%
Northern Territory	81%	19%	0%	0%	0%
Queensland	76%	24%	0%	0%	0%
South Australia	80%	20%	0%	0%	0%
Tasmania	77%	23%	0%	0%	0%
Victoria	72%	28%	0%	0%	0%
Western Australia	76%	21%	0%	0%	3%

Table AI I: Political Stability

1: Encourages Investment

2: Not a Deterrent to investment

3: Mild Deterrent

4: Strong Deterrent

5: Would not pursue investment due to this factor

	1	2	3	4	5
					+
Oceania					
Indonesia	4%	7%	33%	37%	19%
New Zealand	45%	50%	5%	0%	0%
Papua New Guinea	0%	26%	13%	39%	22%
Philippines	0%	8%	21%	46%	25%
					+
Africa					
Botswana	38%	42%	0%	13%	8%
Burkina Faso	4%	43%	18%	11%	25%
D.R.C. (Congo)	3%	10%	10%	20%	57%
Ghana	19%	37%	30%	7%	7%
Mali	11%	46%	29%	7%	7%
South Africa	7%	31%	41%	10%	10%
Tanzania	10%	45%	30%	5%	10%
Zambia	13%	30%	17%	17%	22%
Zimbabwe	4%	4%	4%	12%	77%
					+
Latin America					
Argentina	3%	38%	30%	24%	5%
Bolivia	3%	14%	17%	11%	56%
Brazil	21%	38%	29%	6%	6%
Chile	40%	34%	9%	11%	6%
Colombia	6%	6%	32%	29%	26%
Ecuador	6%	10%	26%	45%	13%
Mexico	12%	46%	29%	12%	2%
Peru	9%	20%	34%	31%	6%
Venezuela	3%	3%	9%	12%	73%
					+
Eurasia					
China	12%	35%	23%	19%	12%
Finland	67%	29%	0%	5%	0%
India	7%	67%	7%	13%	7%
Ireland	65%	29%	0%	6%	0%
Kazakhstan	5%	5%	23%	36%	32%
Mongolia	0%	14%	27%	32%	27%
Russia	0%	10%	24%	48%	19%
Spain	35%	35%	24%	6%	0%
Sweden	63%	29%	4%	4%	0%
Turkey	7%	50%	29%	14%	0%

Table A12: Labour Regulations/Employment Agreements

1: Encourages Investment

2: Not a Deterrent to investment

3: Mild Deterrent

4: Strong Deterrent

5: Would not pursue investment due to this factor

	1	2	3	4	5
Canada					+
Alberta	33%	53%	15%	0%	0%
British Columbia	15%	49%	27%	8%	0%
Manitoba	18%	62%	20%	0%	0%
New Brunswick	27%	53%	20%	0%	0%
Nfld./Labrador	18%	44%	32%	6%	0%
NWT	15%	41%	37%	7%	0%
Nova Scotia	19%	44%	33%	4%	0%
Nunavut	20%	35%	35%	7%	4%
Ontario	25%	49%	23%	3%	0%
Quebec	24%	44%	32%	0%	0%
Saskatchewan	17%	60%	20%	3%	0%
Yukon	12%	56%	33%	0%	0%
USA					+
Alaska	20%	56%	16%	8%	0%
Arizona	29%	52%	19%	0%	0%
California	6%	44%	38%	6%	6%
Colorado	13%	44%	38%	6%	0%
Idaho	9%	45%	45%	0%	0%
Minnesota	8%	31%	62%	0%	0%
Montana	20%	55%	25%	0%	0%
Nevada	42%	45%	13%	0%	0%
New Mexico	13%	47%	40%	0%	0%
South Dakota	9%	36%	55%	0%	0%
Utah	15%	54%	31%	0%	0%
Washington	8%	38%	46%	8%	0%
Wisconsin	7%	50%	29%	14%	0%
Wyoming	29%	47%	24%	0%	0%
Australia					+
New South Wales	17%	54%	25%	0%	4%
Northern Territory	14%	67%	19%	0%	0%
Queensland	18%	64%	18%	0%	0%
South Australia	21%	58%	21%	0%	0%
Tasmania	18%	59%	24%	0%	0%
Victoria	21%	53%	26%	0%	0%
Western Australia	25%	50%	25%	0%	0%

Table A12: Labour Regulations/Employment Agreements

1: Encourages Investment

2: Not a Deterrent to investment

3: Mild Deterrent

4: Strong Deterrent

5: Would not pursue investment due to this factor

	1	2	3	4	5
Oceania					+
Indonesia	11%	56%	22%	6%	6%
New Zealand	13%	40%	47%	0%	0%
Papua New Guinea	0%	38%	38%	15%	8%
Philippines	0%	25%	50%	17%	8%
Africa					+
Botswana	5%	42%	42%	5%	5%
Burkina Faso	6%	69%	13%	6%	6%
D.R.C. (Congo)	0%	22%	50%	17%	11%
Ghana	11%	47%	32%	5%	5%
Mali	0%	50%	35%	10%	5%
South Africa	0%	10%	45%	40%	5%
Tanzania	0%	31%	56%	6%	6%
Zambia	5%	53%	26%	11%	5%
Zimbabwe	6%	18%	24%	18%	35%
Latin America					+
Argentina	0%	27%	64%	5%	5%
Bolivia	5%	5%	53%	26%	11%
Brazil	0%	30%	61%	4%	4%
Chile	5%	57%	33%	0%	5%
Colombia	0%	20%	60%	13%	7%
Ecuador	11%	33%	44%	6%	6%
Mexico	9%	41%	41%	6%	3%
Peru	10%	35%	40%	10%	5%
Venezuela	0%	11%	44%	28%	17%
Eurasia					+
China	12%	41%	41%	0%	6%
Finland	20%	33%	33%	13%	0%
India	0%	36%	64%	0%	0%
Ireland	10%	60%	20%	10%	0%
Kazakhstan	0%	33%	42%	17%	8%
Mongolia	8%	25%	42%	17%	8%
Russia	0%	31%	38%	15%	15%
Spain	0%	45%	55%	0%	0%
Sweden	14%	50%	36%	0%	0%
Turkey	0%	33%	67%	0%	0%

Table A13: Quality of Geological Database

1: Encourages Investment

2: Not a Deterrent to investment

3: Mild Deterrent

4: Strong Deterrent

5: Would not pursue investment due to this factor

	1	2	3	4	5
Canada					+
Alberta	61%	26%	11%	2%	0%
British Columbia	70%	26%	4%	0%	0%
Manitoba	69%	29%	2%	0%	0%
New Brunswick	59%	25%	16%	0%	0%
Nfld./Labrador	59%	27%	12%	2%	0%
NWT	41%	37%	20%	2%	0%
Nova Scotia	40%	43%	10%	7%	0%
Nunavut	39%	35%	22%	4%	0%
Ontario	72%	24%	4%	0%	0%
Quebec	87%	7%	5%	0%	0%
Saskatchewan	61%	30%	7%	2%	0%
Yukon	56%	31%	11%	0%	2%
					+
USA					
Alaska	60%	17%	13%	10%	0%
Arizona	56%	32%	8%	4%	0%
California	42%	37%	5%	11%	5%
Colorado	61%	30%	0%	4%	4%
Idaho	50%	38%	6%	6%	0%
Minnesota	33%	33%	22%	11%	0%
Montana	42%	38%	0%	15%	4%
Nevada	59%	21%	12%	9%	0%
New Mexico	56%	28%	6%	11%	0%
South Dakota	36%	36%	7%	21%	0%
Utah	47%	40%	7%	7%	0%
Washington	31%	44%	13%	6%	6%
Wisconsin	31%	44%	13%	6%	6%
Wyoming	44%	44%	0%	11%	0%
					+
Australia					
New South Wales	63%	26%	11%	0%	0%
Northern Territory	52%	37%	7%	0%	4%
Queensland	52%	38%	10%	0%	0%
South Australia	71%	25%	4%	0%	0%
Tasmania	48%	43%	10%	0%	0%
Victoria	50%	36%	14%	0%	0%
Western Australia	66%	28%	0%	3%	3%

Table A13: Quality of Geological Database

1: Encourages Investment

2: Not a Deterrent to investment

3: Mild Deterrent

4: Strong Deterrent

5: Would not pursue investment due to this factor

	1	2	3	4	5
					+
Oceania					
Indonesia	5%	14%	33%	38%	10%
New Zealand	22%	44%	22%	6%	6%
Papua New Guinea	0%	24%	24%	47%	6%
Philippines	0%	25%	38%	25%	13%
					+
Africa					
Botswana	13%	30%	35%	17%	4%
Burkina Faso	5%	14%	45%	18%	18%
D.R.C. (Congo)	5%	9%	23%	36%	27%
Ghana	12%	48%	20%	8%	12%
Mali	8%	38%	35%	12%	8%
South Africa	35%	30%	17%	13%	4%
Tanzania	11%	21%	53%	11%	5%
Zambia	16%	26%	32%	21%	5%
Zimbabwe	10%	10%	15%	35%	30%
					+
Latin America					
Argentina	4%	19%	59%	15%	4%
Bolivia	5%	11%	26%	47%	11%
Brazil	15%	35%	42%	8%	0%
Chile	17%	52%	13%	17%	0%
Colombia	6%	11%	61%	22%	0%
Ecuador	10%	29%	29%	33%	0%
Mexico	20%	49%	11%	20%	0%
Peru	21%	29%	29%	21%	0%
Venezuela	6%	19%	38%	25%	13%
					+
Eurasia					
China	10%	10%	20%	45%	15%
Finland	30%	50%	0%	20%	0%
India	8%	15%	54%	23%	0%
Ireland	42%	42%	8%	8%	0%
Kazakhstan	6%	13%	50%	25%	6%
Mongolia	0%	13%	44%	31%	13%
Russia	11%	22%	22%	22%	22%
Spain	29%	47%	18%	6%	0%
Sweden	32%	47%	11%	5%	5%
Turkey	13%	13%	47%	27%	0%

Table A14: Security Situation

1: Encourages Investment

2: Not a Deterrent to investment

3: Mild Deterrent

4: Strong Deterrent

5: Would not pursue investment due to this factor

	1	2	3	4	5
Canada					+
Alberta	95%	5%	0%	0%	0%
British Columbia	83%	16%	2%	0%	0%
Manitoba	93%	7%	0%	0%	0%
New Brunswick	94%	6%	0%	0%	0%
Nfld./Labrador	90%	10%	0%	0%	0%
NWT	80%	17%	3%	0%	0%
Nova Scotia	98%	2%	0%	0%	0%
Nunavut	85%	15%	0%	0%	0%
Ontario	87%	10%	3%	0%	0%
Quebec	87%	13%	0%	0%	0%
Saskatchewan	89%	11%	0%	0%	0%
Yukon	87%	13%	0%	0%	0%
USA					+
Alaska	93%	8%	0%	0%	0%
Arizona	85%	12%	3%	0%	0%
California	79%	18%	0%	4%	0%
Colorado	90%	10%	0%	0%	0%
Idaho	96%	4%	0%	0%	0%
Minnesota	92%	8%	0%	0%	0%
Montana	91%	9%	0%	0%	0%
Nevada	80%	17%	2%	0%	0%
New Mexico	93%	7%	0%	0%	0%
South Dakota	96%	4%	0%	0%	0%
Utah	92%	8%	0%	0%	0%
Washington	83%	13%	4%	0%	0%
Wisconsin	96%	4%	0%	0%	0%
Wyoming	89%	7%	0%	4%	0%
Australia					+
New South Wales	94%	6%	0%	0%	0%
Northern Territory	94%	6%	0%	0%	0%
Queensland	94%	6%	0%	0%	0%
South Australia	97%	3%	0%	0%	0%
Tasmania	93%	7%	0%	0%	0%
Victoria	93%	7%	0%	0%	0%
Western Australia	94%	3%	3%	0%	0%

Table A14: Security Situation

1: Encourages Investment

2: Not a Deterrent to investment

3: Mild Deterrent

4: Strong Deterrent

5: Would not pursue investment due to this factor

	1	2	3	4	5
Oceania					+
Indonesia	7%	7%	23%	43%	20%
New Zealand	82%	11%	0%	0%	7%
Papua New Guinea	8%	4%	16%	52%	20%
Philippines	4%	0%	25%	54%	18%
Africa					+
Botswana	38%	13%	33%	4%	13%
Burkina Faso	4%	35%	31%	8%	23%
D.R.C. (Congo)	3%	0%	10%	14%	72%
Ghana	16%	31%	31%	6%	16%
Mali	10%	32%	35%	16%	6%
South Africa	8%	12%	27%	35%	19%
Tanzania	4%	29%	42%	13%	13%
Zambia	10%	29%	19%	19%	24%
Zimbabwe	4%	4%	7%	7%	78%
Latin America					+
Argentina	15%	56%	24%	3%	3%
Bolivia	3%	6%	38%	28%	25%
Brazil	18%	24%	47%	9%	3%
Chile	29%	39%	19%	10%	3%
Colombia	3%	0%	13%	43%	40%
Ecuador	9%	9%	44%	25%	13%
Mexico	8%	33%	45%	10%	4%
Peru	9%	15%	44%	21%	12%
Venezuela	3%	6%	16%	39%	35%
Eurasia					+
China	33%	38%	21%	0%	8%
Finland	80%	20%	0%	0%	0%
India	13%	47%	33%	7%	0%
Ireland	71%	18%	6%	0%	6%
Kazakhstan	7%	27%	27%	20%	20%
Mongolia	5%	35%	30%	15%	15%
Russia	5%	5%	48%	33%	10%
Spain	56%	31%	13%	0%	0%
Sweden	83%	13%	4%	0%	0%
Turkey	7%	21%	43%	21%	7%

Table A15: Number of Respondents Indicating a Jurisdiction has the Most/Least Favourable Policies Towards Mining

Jurisdiction	Best	Least	Net	Jurisdiction	Best	Least	Net
Quebec	15		15	Alaska	2	1	1
Nevada	15		15	Peru	3	2	1
Mexico	10		10	Western Australia	1	1	0
Chile	11	1	10	Washington	1	-1	
Yukon	6	1	5	South Dakota	1	-1	
Botswana	3		3	Queensland	1	-1	
South Australia	2		2	Nunavut		1	-1
Saskatchewan	2		2	Indonesia	1	2	-1
Manitoba	2		2	DRC (Congo)	1	-1	
Alberta	2		2	BC	5	7	-2
Zambia	1		1	Argentina	1	3	-2
Wyoming	1		1	South Africa	1	4	-3
Tanzania	2	1	1	Wisconsin		4	-4
Sweden	1		1	NWT	1	5	-4
Papua New Guinea	2	1	1	China		4	-4
Ontario	3	2	1	Montana		5	-5
New South Wales	1		1	California		5	-5
Mali	1		1	Russia		6	-6
Kazakhstan	1		1	Zimbabwe		9	-9
Ghana	1		1	Bolivia		10	-10
Ecuador	1		1	Venezuela		11	-11
Colorado	1		1	Mongolia		11	-11
Burkina Faso	1		1				
Brazil	1		1				
Arizona	1		1				

Note: Table sorted by jurisdiction receiving the highest number of net favourable votes. The table is restricted to jurisdictions in the survey.

Table A16a: Question on Jurisdictions to Include in the Survey

In order to determine whether additional jurisdictions should be added to the survey, we asked the following question:

“We are examining whether some jurisdictions now in the survey should be dropped and other jurisdictions added. For the following jurisdictions, please indicate your view:”

We asked the question about 50 different jurisdictions, some of which are currently in the survey.

1 = must be in survey

2 = recommend inclusion

3 = no opinion

4 = recommend exclusion

5 = strongly recommend exclusion

	1	2	3	4	5	Evaluation*
Algeria	11%	6%	70%	5%	8%	5
Angola	18%	20%	53%	4%	6%	33
Austria	13%	4%	61%	17%	4%	0
Bulgaria	15%	20%	57%	6%	2%	32
Burundi	9%	7%	71%	7%	6%	5
Central African Republic	15%	10%	66%	5%	4%	22
Cote D'Ivoire	13%	20%	60%	3%	4%	30
Croatia	12%	15%	62%	9%	3%	19
Czech Republic	12%	14%	67%	5%	1%	26
Ecuador	48%	23%	26%	1%	2%	91
Equatorial Guinea	13%	10%	66%	7%	3%	18
Fiji	11%	11%	64%	8%	5%	12
France	14%	7%	58%	16%	5%	4
Gabon	17%	13%	61%	4%	5%	27
Germany	16%	5%	54%	21%	4%	2
Ghana	40%	17%	40%	1%	2%	73
Greece	15%	14%	61%	9%	2%	24
Guinea	23%	14%	58%	3%	3%	40
Honduras	26%	22%	50%	2%	0%	59
Hungary	13%	14%	63%	8%	2%	21
Ireland	22%	22%	51%	3%	3%	46
Italy	12%	12%	66%	8%	3%	17
Kyrgyzstan	22%	24%	51%	2%	1%	53
Luxembourg	6%	3%	58%	20%	12%	-25
Macedonia	13%	6%	67%	8%	6%	9
Malaysia	19%	19%	55%	4%	2%	40

Table A16a: Question on Jurisdictions to Include in the Survey

In order to determine whether additional jurisdictions should be added to the survey, we asked the following question:

“We are examining whether some jurisdictions now in the survey should be dropped and other jurisdictions added. For the following jurisdictions, please indicate your view:”

We asked the question about 50 different jurisdictions, some of which are currently in the survey.

1 = must be in survey

2 = recommend inclusion

3 = no opinion

4 = recommend exclusion

5 = strongly recommend exclusion

	1	2	3	4	5	Evaluation*
Mauritania	16%	11%	65%	3%	4%	27
Morocco	16%	14%	64%	3%	2%	33
Namibia	30%	21%	46%	0%	3%	62
New Caledonia	17%	19%	61%	2%	1%	41
New Zealand	28%	26%	41%	2%	3%	62
Norway	23%	21%	50%	4%	2%	49
Pakistan	18%	11%	59%	8%	3%	25
Poland	14%	16%	61%	8%	1%	26
Romania	19%	22%	53%	4%	1%	45
Sierra Leone	26%	16%	49%	4%	4%	45
Slovakia	17%	18%	57%	6%	1%	36
Slovenia	18%	11%	63%	7%	1%	28
South Korea	13%	12%	66%	7%	2%	20
Spain	24%	26%	46%	2%	1%	59
Suriname	20%	19%	58%	2%	1%	45
Switzerland	11%	3%	62%	16%	8%	-8
Tajikistan	16%	17%	62%	3%	2%	35
Tanzania	41%	19%	36%	1%	3%	75
Tasmania	26%	19%	49%	3%	2%	53
Thailand	20%	15%	59%	4%	2%	38
Tunisia	16%	8%	67%	3%	5%	21
United Kingdom	11%	12%	55%	15%	7%	2
Uruguay	20%	20%	56%	3%	0%	48
Uzbekistan	20%	21%	53%	4%	2%	43

*Columns 1 and 2 subtracted from columns 3 and 4. Weighting: Columns 1 and 5 multiplied by 1.5; columns 2 and 4 unweighted. Results multiplied by 100.

Table AI6b: Question on Jurisdictions to Include in the Survey

Evaluation Ranking	Jurisdiction	Evaluation Score	Evaluation Ranking	Jurisdiction	Evaluation Score
1	Ecuador	91	34	Central African Republic	22*
2	Tanzania	75	35	Hungary	21
3	Ghana	73	36	Tunisia	21*
4	Namibia	62*	37	South Korea	20*
5	New Zealand	62	38	Croatia	19*
6	Spain	59	39	Equatorial Guinea	18*
7	Honduras	59*	40	Italy	17*
8	Kyrgyzstan	53*	41	Fiji	12*
9	Tasmania	53	42	Macedonia	9*
10	Norway	49*	43	Algeria	5*
11	Uruguay	48*	44	Burundi	5*
12	Ireland	46	45	France	4*
13	Sierra Leone	45*	46	United Kingdom	2*
14	Romania	45*	47	Germany	2*
15	Suriname	45	48	Austria	0*
16	Uzbekistan	43*	49	Switzerland	-8*
17	New Caledonia	41*	50	Luxembourg	-25*
18	Malaysia	40*			
19	Guinea	40*			
20	Thailand	38*			
21	Slovakia	36*			
22	Tajikistan	35*			
23	Angola	33*			
24	Morocco	33*			
25	Bulgaria	32*			
26	Cote d'Ivoire	30*			
27	Slovenia	28*			
28	Gabon	27*			
29	Mauritania	27*			
30	Czech Republic	26*			
31	Poland	26*			
32	Pakistan	25*			
33	Greece	24*			

*Not currently in survey.

The responses indicate a good level of satisfaction with the current selection of jurisdictions. All jurisdictions in the survey are in the top 12 by the evaluation method chosen here. Other ways of evaluating the responses produce virtually identical results. Although any cut-off point for inclusion is arbitrary, based on the results, we will include five new jurisdictions in next year's survey: Namibia, Honduras, Kyrgyzstan, Norway, and Uruguay. New survey software, which will allow respondents to select only those jurisdictions for which they wish to respond, will, if anything, make completing the survey faster than in past years. For past surveys, respondents had to view all jurisdictions for each question. Next year, only the respondent's individually selected jurisdictions will be listed.

Notes

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Notes

The Fraser Institute's Annual Survey of Mining Companies

Copies of *The Fraser Institute's Annual Survey of Mining Companies 2006/2007* are available for order. If you would like to receive a copy of this report, or of previous editions, please photocopy, complete, and return the following form:

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If you would like to participate in *The Fraser Institute's Annual Survey of Mining Companies 2007/2008*, please respond before September 1, 2007, and indicate here:

Yes, my opinion counts! Please include me in next year's survey.

Send completed forms to:

Mining Survey Co-ordinator, Centre for Trade and Globalization Studies
The Fraser Institute, 4th Floor, 1770 Burrard Street
Vancouver, BC, Canada V6J 3G7
or fax: (604) 688-8539