FRASER INSTITUTE ANNUAL

# Survey of Mining Companies 2014

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## Survey information

The Fraser Institute Annual Survey of Mining Companies was sent to approximately 4,200 exploration, development, and other mining-related companies around the world. Several mining publications and associations also helped publicize the survey. (Please see the acknowledgements.) The survey was conducted from August 26 to November 15, 2014. The companies that participated in the survey reported exploration spending of US$2.7 billion in 2014 and US$3.2 billion in 2013.

# Executive Summary
# 2014 Mining Survey

This report presents the results of the Fraser Institute's 2014 annual survey of mining and exploration companies. The survey is an attempt to assess how mineral endowments and public policy factors such as taxation and regulatory uncertainty affect exploration investment. The survey was circulated electronically to over 4,200 individuals between August 26 and November 15, 2014. Survey responses have been tallied to rank provinces, states, and countries according to the extent that public policy factors encourage or discourage investment. Total exploration budgets reported by companies participating in the mining survey were US$2.7 billion in 2014 and US$3.2 billion in 2013.

A total of 485 responses were received for the survey, providing sufficient data to evaluate 122 jurisdictions. By way of comparison, 112 jurisdictions were evaluated in 2013, 96 in 2012/2013, 93 in 2011/2012, and 79 in 2010/2011. Jurisdictions are evaluated on every continent except Antarctica, including sub-national jurisdictions in Canada, Australia, the United States, and Argentina. Included in this year's report for the first time are: Solomon Islands in Oceania; Central African Republic, Egypt, Lesotho, Mauritania, Morocco, South Sudan, Sudan, and Uganda in Africa; Cambodia in Asia; and Hungary in Europe. There were also a number of jurisdictions included in the survey questionnaire that are not included in this report because their results did not meet the minimum threshold of 10 completed responses.

## The Investment Attractiveness Index takes both mineral and policy perception into consideration

An overall Investment Attractiveness Index is constructed by combining the Best Practices Mineral Potential index, which rates regions based on their geologic attractiveness, and the Policy Perception Index, a composite index that measures the effects of government policy on attitudes toward exploration investment. While it is useful to measure the attractiveness of a jurisdiction based on policy factors such as onerous regulations, taxation levels, the quality of infrastructure, and others, the Policy Perception Index alone does not recognize the fact that investment decisions are often sizably based on the pure mineral potential of a jurisdiction. Indeed, as discussed below, respondents consistently indicate that roughly only 40 percent of their investment decision is determined by policy factors. In this year's report, we have maintained the precise 60/40 ratio in calculating this index to allow comparability with other years.

### The top

The top jurisdiction in the world for investment based on the Investment Attractiveness Index is Finland with an overall score of 83.8 (see figure 1). Finland moves up three spots this year to take over as the most attractive jurisdiction in the world for mining investment. Along with Finland, the top 10 ranked jurisdictions are Saskatchewan, Nevada, Manitoba, Quebec, Wyoming, Newfoundland & Labrador, Yukon, and Alaska. Finland displaces Western Australia, which dropped to 5th overall. Saskatchewan moved up 5 spots to rank as the second most attractive jurisdiction in the world for investment. Manitoba moved into the top 10 this year, after ranking 13th last year. Greenland dropped out of the top 10 this year, moving down to 41st along with Sweden, which moved down to 12th. Table 1 illustrates in greater detail the shifts in the relative ranking of the policy perceptions of the jurisdictions surveyed.

### The bottom

When considering both policy and mineral potential in the Investment Attractiveness Index, Malaysia ranks as the least attractive jurisdiction in the world for investment. This is a significant drop for Malaysia which ranked 70$^{th}$ (of 112) in 2013. Also in the bottom 10 (beginning with the worst) are Hungary, Kenya, Honduras, Solomon Islands, Egypt, Guatemala, Bulgaria, Nigeria, and Sudan. Kenya and Bulgaria experienced large drops from 79$^{th}$ (of 112) and 57$^{th}$ (of 112) overall in 2013, respectively.

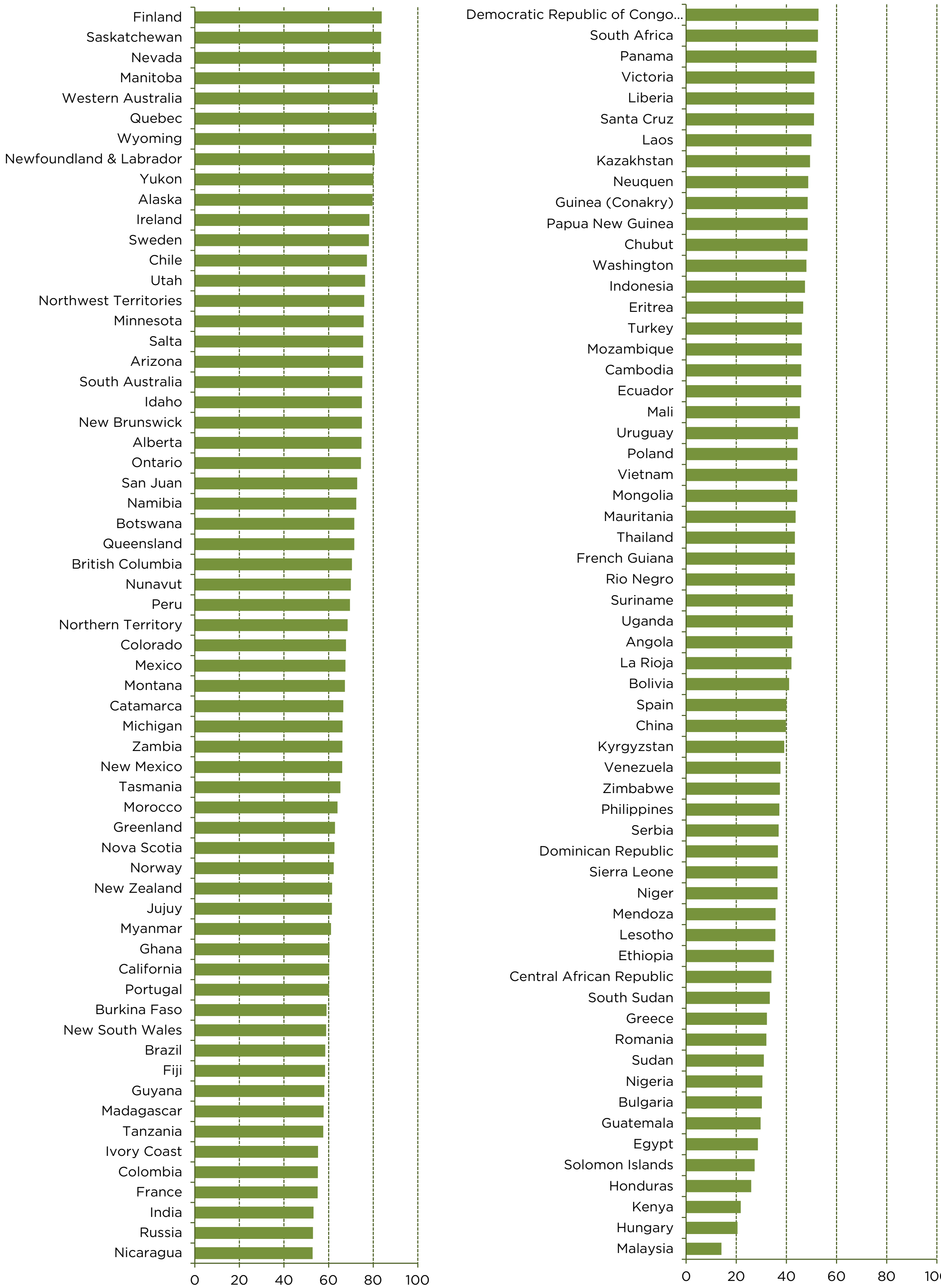
The bottom 10 this year is a completely different group from last year; Niger, Argentina—Catamarca, Argentina—La Rioja, Argentina—Neuquen, Argentina—Rio Negro, Uruguay, and Kyrgyzstan, all improved their scores enough to move up from the bottom 10. The most notable progress in performance in this group is Argentina—Catamarca, which moved up to 35$^{th}$ this year from 103$^{rd}$ in 2013.

## Room for improvement

Many jurisdictions have considerable room for improvement. The room for improvement score is calculated by subtracting a jurisdiction's "best practices" mineral potential score from its "current practices" mineral potential score. The greater the score, the greater the gap between "current" and "best practices" mineral potential, and the greater the room for improvement.

Papua New Guinea, with a score of 48, is the jurisdiction with the most room for improvement. Closely following it are Brazil, Argentina—Santa Cruz, Mongolia, and Indonesia, each with scores of 47. The Canadian province with the most room for improvement is British

## Figure 1: Investment Attractiveness Index



## Table 1: Investment Attractiveness Index

| | | Score | | | | | Rank | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 2014 | 2013 | 2012/2013 | 2011/2012 | 2010/2011 | 2014 | 2013 | 2012/2013 | 2011/2012 | 2010/2011 |
| Canada | Alberta | 74.8 | 77.0 | 71.3 | 74.8 | 72.6 | 22/122 | 10/112 | 18/96 | 16/93 | 21/79 |
| | British Columbia | 70.5 | 75.4 | 69.0 | 74.6 | 69.6 | 28/122 | 16/112 | 21/96 | 18/93 | 24/79 |
| | Manitoba | 82.9 | 76.4 | 70.5 | 75.7 | 76.8 | 4/122 | 13/112 | 19/96 | 15/93 | 10/79 |
| | New Brunswick | 74.9 | 71.6 | 72.3 | 69.2 | 53.0 | 21/122 | 23/112 | 13/96 | 27/93 | 59/79 |
| | Newfoundland & Labrador | 80.7 | 81.3 | 71.7 | 79.9 | 75.7 | 8/122 | 3/112 | 16/96 | 7/93 | 13/79 |
| | Northwest Territories | 76.0 | 69.7 | 69.5 | 71.1 | 68.0 | 15/122 | 25/112 | 20/96 | 22/93 | 30/79 |
| | Nova Scotia | 62.6 | 58.6 | 57.3 | 59.1 | 51.4 | 42/122 | 47/112 | 36/96 | 45/93 | 62/79 |
| | Nunavut | 70.0 | 68.9 | 68.1 | 74.4 | 69.6 | 29/122 | 27/112 | 24/96 | 19/93 | 25/79 |
| | Ontario | 74.5 | 75.7 | 76.5 | 78.6 | 78.8 | 23/122 | 14/112 | 9/96 | 9/93 | 9/79 |
| | Quebec | 81.5 | 74.1 | 75.9 | 84.8 | 85.0 | 6/122 | 18/112 | 11/96 | 2/93 | 3/79 |
| | Saskatchewan | 83.6 | 78.3 | 76.9 | 84.1 | 88.6 | 2/122 | 7/112 | 8/96 | 3/93 | 1/79 |
| | Yukon | 80.1 | 77.9 | 82.2 | 86.8 | 83.2 | 9/122 | 8/112 | 1/96 | 1/93 | 5/79 |
| United States | Alaska | 79.7 | 80.2 | 77.7 | 82.9 | 83.0 | 10/122 | 5/112 | 6/96 | 4/93 | 6/79 |
| | Arizona | 75.5 | 72.4 | 66.5 | 69.7 | 72.2 | 18/122 | 22/112 | 26/96 | 25/93 | 22/79 |
| | California | 60.3 | 53.6 | 49.1 | 52.9 | 48.9 | 48/122 | 54/112 | 62/96 | 65/93 | 67/79 |
| | Colorado | 67.8 | 60.4 | 58.7 | 62.6 | 60.8 | 32/122 | 42/112 | 32/96 | 37/93 | 41/79 |
| | Idaho | 74.9 | 67.2 | 59.2 | 67.8 | 61.0 | 20/122 | 30/112 | 31/96 | 30/93 | 40/79 |
| | Michigan | 66.3 | 68.4 | 52.1 | 62.1 | 51.3 | 36/122 | 28/112 | 49/96 | 38/93 | 63/79 |
| | Minnesota | 75.7 | 63.5 | 53.7 | 61.2 | 64.9 | 16/122 | 35/112 | 46/96 | 40/93 | 33/79 |
| | Montana | 67.3 | 63.1 | 58.2 | 63.6 | 58.3 | 34/122 | 38/112 | 34/96 | 35/93 | 50/79 |
| | Nevada | 83.3 | 84.2 | 79.3 | 82.6 | 86.8 | 3/122 | 2/112 | 3/96 | 6/93 | 2/79 |
| | New Mexico | 66.1 | 59.0 | 52.0 | 60.1 | 62.5 | 38/122 | 45/112 | 51/96 | 44/93 | 39/79 |
| | Utah | 76.4 | 75.4 | 71.9 | 69.0 | 76.5 | 14/122 | 15/112 | 14/96 | 28/93 | 12/79 |
| | Washington | 48.0 | 48.5 | 44.9 | 52.1 | 39.8 | 75/122 | 68/112 | 74/96 | 66/93 | 74/79 |
| | Wyoming | 81.4 | 76.6 | 77.4 | 76.7 | 75.4 | 7/122 | 11/112 | 7/96 | 14/93 | 15/79 |
| Australia | New South Wales | 58.9 | 63.0 | 52.1 | 58.3 | 60.2 | 51/122 | 39/112 | 50/96 | 47/93 | 45/79 |
| | Northern Territory | 68.5 | 74.7 | 68.7 | 72.4 | 68.1 | 31/122 | 17/112 | 22/96 | 21/93 | 29/79 |
| | Queensland | 71.5 | 73.5 | 68.3 | 71.0 | 69.2 | 27/122 | 21/112 | 23/96 | 23/93 | 26/79 |
| | South Australia | 75.1 | 73.8 | 71.6 | 77.4 | 74.0 | 19/122 | 20/112 | 17/96 | 12/93 | 18/79 |
| | Tasmania | 65.3 | 63.5 | 49.8 | 54.2 | 64.0 | 39/122 | 36/112 | 58/96 | 60/93 | 35/79 |
| | Victoria | 51.2 | 59.5 | 51.0 | 42.8 | 48.1 | 66/122 | 43/112 | 53/96 | 82/93 | 68/79 |
| | Western Australia | 82.0 | 85.3 | 78.0 | 82.6 | 80.2 | 5/122 | 1/112 | 4/96 | 5/93 | 7/79 |
| Oceania | Fiji | 58.4 | 36.4 | * | * | * | 53/122 | 92/112 | * | * | * |
| | Indonesia | 47.4 | 49.8 | 50.9 | 55.6 | 60.1 | 76/122 | 66/112 | 54/96 | 55/93 | 47/79 |
| | Malaysia | 14.1 | 46.9 | * | * | * | 122/122 | 70/112 | * | * | * |
| | New Zealand | 61.6 | 65.0 | 54.5 | 54.5 | 55.3 | 44/122 | 32/112 | 42/96 | 59/93 | 55/79 |
| | Papua New Guinea | 48.5 | 56.2 | 58.4 | 67.1 | 65.0 | 73/122 | 50/112 | 33/96 | 31/93 | 32/79 |
| | Philippines | 37.2 | 51.4 | 50.8 | 56.1 | 60.1 | 101/122 | 61/112 | 55/96 | 53/93 | 46/79 |
| | Solomon Islands | 27.3 | * | * | * | * | 118/122 | * | * | * | * |

## Table 1 continued

| | | Score | | | | | Rank | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 2014 | 2013 | 2012/ 2013 | 2011/ 2012 | 2010/ 2011 | 2014 | 2013 | 2012/ 2013 | 2011/ 2012 | 2010/ 2011 |
| Africa | Angola | 42.4 | 34.3 | * | * | * | 93/122 | 97/112 | * | * | * |
| | Botswana | 71.5 | 70.3 | 75.8 | 77.6 | 75.5 | 26/122 | 24/112 | 12/96 | 11/93 | 14/79 |
| | Burkina Faso | 59.1 | 57.4 | 51.4 | 68.7 | 75.1 | 50/122 | 49/112 | 52/96 | 29/93 | 16/79 |
| | Central African Republic | 34.0 | * | * | * | * | 109/122 | * | * | * | * |
| | Democratic Republic of Congo (DRC) | 52.8 | 51.0 | 46.6 | 60.1 | 56.9 | 62/122 | 63/112 | 70/96 | 43/93 | 52/79 |
| | Egypt | 28.6 | * | * | * | * | 117/122 | * | * | * | * |
| | Eritrea | 46.7 | 57.5 | * | * | * | 77/122 | 48/112 | * | * | * |
| | Ethiopia | 35.0 | 41.2 | * | * | * | 108/122 | 85/112 | * | * | * |
| | Ghana | 60.4 | 64.5 | 53.8 | 69.9 | 63.1 | 47/122 | 33/112 | 45/96 | 24/93 | 37/79 |
| | Guinea(Conakry) | 48.5 | 43.8 | 35.8 | 46.1 | 59.7 | 72/122 | 78/112 | 89/96 | 78/93 | 48/79 |
| | Ivory Coast | 55.3 | 41.7 | * | * | * | 57/122 | 83/112 | * | * | * |
| | Kenya | 21.8 | 43.2 | * | * | * | 120/122 | 79/112 | * | * | * |
| | Lesotho*** | 35.6 | * | * | * | * | 107/122 | * | * | * | * |
| | Liberia*** | 51.1 | 52.9 | * | * | * | 67/122 | 56/112 | * | * | * |
| | Madagascar | 57.8 | 42.2 | 41.2 | 53.7 | 47.2 | 55/122 | 80/112 | 80/96 | 63/93 | 70/79 |
| | Mali | 45.4 | 46.3 | 37.9 | 63.9 | 70.9 | 82/122 | 71/112 | 87/96 | 34/93 | 23/79 |
| | Mauritania | 43.7 | * | * | * | * | 87/122 | * | * | * | * |
| | Morocco | 64.0 | * | * | * | * | 40/122 | * | * | * | * |
| | Mozambique | 46.1 | 33.7 | * | * | * | 79/122 | 99/112 | * | * | * |
| | Namibia | 72.4 | 63.7 | 62.1 | 50.6 | 64.8 | 25/122 | 34/112 | 30/96 | 69/93 | 34/79 |
| | Niger | 36.5 | 24.0 | 33.1 | 46.6 | 53.8 | 104/122 | 111/112 | 91/96 | 75/93 | 56/79 |
| | Nigeria | 30.4 | 47.7 | * | * | * | 114/122 | 69/112 | * | * | * |
| | Sierra Leone | 36.5 | 36.9 | * | * | * | 105/122 | 91/112 | * | * | * |
| | South Africa | 52.6 | 54.7 | 47.8 | 56.1 | 52.4 | 64/122 | 53/112 | 67/96 | 52/93 | 60/79 |
| | South Sudan | 33.4 | * | * | * | * | 110/122 | * | * | * | * |
| | Sudan*** | 31.0 | * | * | * | * | 113/122 | * | * | * | * |
| | Tanzania | 57.6 | 50.5 | 50.8 | 55.8 | 60.2 | 56/122 | 65/112 | 56/96 | 54/93 | 44/79 |
| | Uganda | 42.6 | * | * | * | * | 92/122 | * | * | * | * |
| | Zambia | 66.2 | 60.6 | 52.7 | 54.8 | 60.6 | 37/122 | 41/112 | 47/96 | 57/93 | 42/79 |
| | Zimbabwe | 37.4 | 34.8 | 37.0 | 46.8 | 53.5 | 100/122 | 96/112 | 88/96 | 74/93 | 57/79 |
| Argentina | Argentina | ** | ** | ** | ** | 55.5 | ** | ** | ** | ** | 54/79 |
| | Catamarca | 66.6 | 30.9 | 56.9 | 56.5 | * | 35/122 | 103/112 | 38/96 | 51/93 | * |
| | Chubut | 48.4 | 35.8 | 39.8 | 60.5 | * | 74/122 | 93/112 | 81/96 | 41/93 | * |
| | Jujuy | 61.5 | 40.1 | 49.0 | 38.0 | * | 45/122 | 88/112 | 63/96 | 87/93 | * |
| | La Rioja | 42.0 | 27.0 | 44.5 | * | * | 94/122 | 108/112 | 77/96 | * | * |
| | Mendoza | 35.7 | 32.9 | 44.7 | 43.2 | * | 106/122 | 101/112 | 75/96 | 81/93 | * |
| | Neuquen | 48.7 | 29.9 | 45.1 | * | * | 71/122 | 106/112 | 73/96 | * | * |
| | Rio Negro | 43.4 | 29.7 | 49.6 | 51.2 | * | 90/122 | 107/112 | 60/96 | 67/93 | * |
| | Salta | 75.5 | 60.9 | 52.7 | 50.3 | * | 17/122 | 40/112 | 48/96 | 70/93 | * |
| | San Juan | 72.8 | 54.9 | 55.6 | 56.7 | * | 24/122 | 52/112 | 41/96 | 50/93 | * |
| | Santa Cruz | 51.0 | 45.2 | 50.2 | 53.2 | * | 68/122 | 76/112 | 57/96 | 64/93 | * |

## Table 1 continued

| | | Score | | | | | Rank | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 2014 | 2013 | 2012/2013 | 2011/2012 | 2010/2011 | 2014 | 2013 | 2012/2013 | 2011/2012 | 2010/2011 |
| Latin America and the Caribbean Basin | Bolivia | 41.1 | 40.6 | 34.5 | 38 | 39.7 | 95/122 | 87/112 | 90/96 | 88/93 | 75/79 |
| | Brazil | 58.5 | 55.8 | 53.9 | 65.7 | 68.9 | 52/122 | 51/112 | 44/96 | 33/93 | 27/79 |
| | Chile | 77.2 | 76.5 | 71.9 | 78.9 | 83.5 | 13/122 | 12/112 | 15/96 | 8/93 | 4/79 |
| | Colombia | 55.2 | 51.1 | 55.7 | 63.3 | 74.3 | 58/122 | 62/112 | 39/96 | 36/93 | 17/79 |
| | Dominican Republic | 36.6 | 34.2 | 42.1 | 30 | * | 103/122 | 98/112 | 78/96 | 92/93 | * |
| | Ecuador | 45.9 | 38.1 | 39.4 | 44.2 | 53.3 | 80/122 | 89/112 | 83/96 | 80/93 | 58/79 |
| | French Guiana | 43.4 | 41.8 | 48.4 | * | * | 89/122 | 82/112 | 65/96 | * | * |
| | Guatemala | 29.7 | 35.4 | 31.8 | 38.7 | 45.5 | 116/122 | 95/112 | 93/96 | 86/93 | 71/79 |
| | Guyana | 58.1 | 45.2 | 45.5 | 49.5 | * | 54/122 | 77/112 | 72/96 | 72/93 | * |
| | Honduras | 26.0 | 25.8 | 24.4 | 32.6 | 35.9 | 119/122 | 110/112 | 95/96 | 91/93 | 77/79 |
| | Mexico | 67.6 | 65.1 | 65.7 | 74.2 | 73.5 | 33/122 | 31/112 | 27/96 | 20/93 | 20/79 |
| | Nicaragua | 52.8 | 35.8 | * | * | * | 63/122 | 94/112 | * | * | * |
| | Panama | 52.0 | 50.6 | 38.4 | 41.3 | 47.3 | 65/122 | 64/112 | 85/96 | 84/93 | 69/79 |
| | Peru | 69.6 | 63.1 | 55.7 | 66.5 | 68.4 | 30/122 | 37/112 | 40/96 | 32/93 | 28/79 |
| | Suriname | 42.6 | 32.3 | 39.6 | 42.4 | * | 91/122 | 102/112 | 82/96 | 83/93 | * |
| | Uruguay | 44.6 | 15.2 | * | * | * | 83/122 | 112/112 | * | * | * |
| | Venezuela | 37.6 | 26.9 | 31.9 | 39.7 | 34.3 | 99/122 | 109/112 | 92/96 | 85/93 | 78/79 |
| Asia | Cambodia | 45.9 | * | * | * | * | 81/122 | * | * | * | * |
| | China | 39.8 | 46.3 | 46.8 | 57.5 | 56.3 | 97/122 | 72/112 | 69/96 | 48/93 | 53/79 |
| | India | 53.2 | 46.0 | 49.2 | 45.7 | 34.2 | 60/122 | 74/112 | 61/96 | 79/93 | 79/79 |
| | Kazakhstan | 49.4 | 49.3 | 48.7 | 48.8 | 57.2 | 70/122 | 67/112 | 64/96 | 73/93 | 51/79 |
| | Kyrgyzstan | 39.1 | 30.3 | 47.9 | 46.1 | 60.6 | 98/122 | 105/112 | 66/96 | 77/93 | 43/79 |
| | Laos | 50.0 | 33.0 | * | 46.2 | * | 69/122 | 100/112 | * | 76/93 | * |
| | Mongolia | 44.3 | 42.1 | 57.3 | 56.9 | 63.8 | 85/122 | 81/112 | 37/96 | 49/93 | 36/79 |
| | Myanmar | 61.1 | 52.1 | * | * | * | 46/122 | 59/112 | * | * | * |
| | Thailand | 43.4 | 45.9 | * | * | * | 88/122 | 75/112 | * | * | * |
| | Vietnam | 44.3 | 46.1 | 41.3 | 27.6 | 50.2 | 86/122 | 73/112 | 79/96 | 93/93 | 64/79 |
| Europe | Bulgaria | 30.2 | 52.3 | 39.2 | 50.2 | 49.6 | 115/122 | 57/112 | 84/96 | 71/93 | 65/79 |
| | Finland | 83.8 | 80.2 | 80.0 | 78.0 | 78.9 | 1/122 | 4/112 | 2/96 | 10/93 | 8/79 |
| | France | 55.1 | 59.2 | * | * | * | 59/122 | 44/112 | * | * | * |
| | Greenland | 62.9 | 77.3 | 76.5 | 77.1 | 73.6 | 41/122 | 9/112 | 10/96 | 13/93 | 19/79 |
| | Greece | 32.2 | 41.5 | 20.9 | * | * | 111/122 | 84/112 | 96/96 | * | * |
| | Hungary*** | 20.5 | * | * | * | * | 121/122 | * | * | * | * |
| | Ireland | 78.3 | 73.9 | 63.4 | 69.2 | 65.4 | 11/122 | 19/112 | 29/96 | 26/93 | 31/79 |
| | Norway | 62.3 | 69.0 | 67.6 | 58.8 | 58.7 | 43/122 | 26/112 | 25/96 | 46/93 | 49/79 |
| | Poland | 44.4 | 52.2 | 37.9 | 61.4 | * | 84/122 | 58/112 | 86/96 | 39/93 | * |
| | Portugal | 60.2 | 53.2 | * | * | * | 49/122 | 55/112 | * | * | * |
| | Romania | 32.0 | 37.6 | 31.3 | 35.3 | 51.8 | 112/122 | 90/112 | 94/96 | 89/93 | 61/79 |
| | Russia | 53.0 | 40.7 | 49.8 | 50.8 | 49.3 | 61/122 | 86/112 | 59/96 | 68/93 | 66/79 |
| | Serbia | 36.9 | 51.9 | 57.7 | * | * | 102/122 | 60/112 | 35/96 | * | * |
| | Spain | 40.0 | 58.6 | 47.4 | 54.0 | 45.5 | 96/122 | 46/112 | 68/96 | 62/93 | 72/79 |
| | Sweden | 78.1 | 79.5 | 77.8 | 74.8 | 76.7 | 12/122 | 6/112 | 5/96 | 17/93 | 11/79 |
| | Turkey | 46.2 | 68.1 | 64.7 | 60.2 | 62.6 | 78/122 | 29/112 | 28/96 | 42/93 | 38/79 |

Notes: * Not available; ** Argentina is no longer reported as a single jurisdiction (we now report separately on the sub-national jurisdictions); *** Between 5 and 9 responses.

Columbia, with a score of 37. The American states of California, Montana, and Idaho also have significant room for improvement.

## Policy Perception Index: A "report card" to governments on the attractiveness of their mining policies

While geologic and economic considerations are important factors in mineral exploration, a region's policy climate is also an important investment consideration. The Policy Perception Index (PPI), referred to in previous surveys as the Policy Potential Index, is a composite index, measuring the overall policy attractiveness of the 122 jurisdictions in the survey. The index is composed of survey responses to policy factors that affect investment decisions. Policy factors examined include uncertainty concerning the administration of current regulations, environmental regulations, regulatory duplication, the legal system , the taxation regime, uncertainty concerning protected areas and disputed land claims, infrastructure, socioeconomic and community development conditions, trade barriers, political stability, labour regulations, quality of the geological database, security, and labor and skills availability. The PPI is normalized to a maximum score of 100.

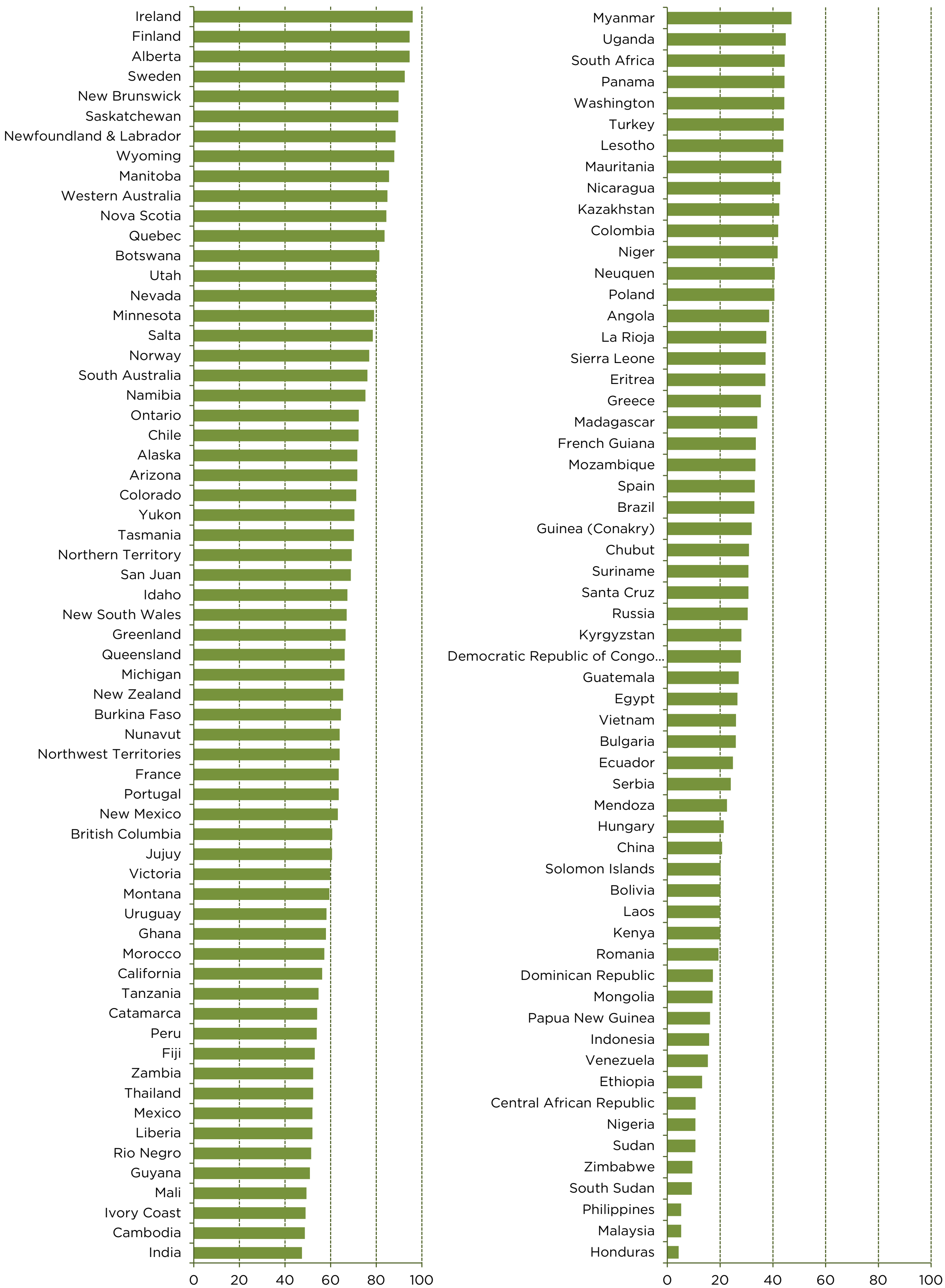
Ireland is the top-rated jurisdiction for policy factors this year with a score of 96.0 (see figure 2). Finland and Alberta follow closely (both 94.7), tied at second. Ranking fourth and fifth on the Policy Perception Index are Sweden (92.5) and New Brunswick (89.8). Other top-ranked jurisdictions include Saskatchewan (89.7), Newfoundland & Labrador (88.4), Wyoming (87.9), Manitoba (85.6), and Western Australia (84.9). The lowest-rated jurisdictions on the Policy Perception Index are Honduras (4.3), Malaysia (5.2), Philippines (5.2), South Sudan (9.3), Zimbabwe (9.5), and Sudan and Nigeria (both 10.6).

Table 2 details the relative trends observed over the last five years for the performance of each of the jurisdictions on the Policy Perception Index.

## The Best Practices Mineral Potential Index: Rating a region's geological attractiveness

The Best Practices Mineral Potential Index rates a region's attractiveness based on the perceptions of mining company executives of a jurisdiction's geology. Survey respondents were asked to rate the pure mineral potential of each jurisdiction with which they were familiar, assuming their policies are based on "best practices" (i.e., a world-class regulatory environment, highly competitive taxation, no political risk or uncertainty, and a fully stable mining regime). In other words, respondents were asked to rate the attractiveness of the region's "pure" mineral potential independent of any policy restrictions. The "best practice" index ranks the jurisdictions based on which region's geology "encourages exploration investment" or is "not a deterrent to investment" with these figures counting 100 percent of

## Figure 2: Policy Perception Index



## Table 2: Policy Perception Index

| | | Score | | | | | Rank | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 2014 | 2013 | 2012/2013 | 2011/2012 | 2010/2011 | 2014 | 2013 | 2012/2013 | 2011/2012 | 2010/2011 |
| Canada | Alberta | 94.67 | 93.43 | 92.64 | 91.54 | 90.38 | 2/122 | 3 /112 | 3/96 | 3/93 | 1/79 |
| | British Columbia | 60.73 | 69 | 63.61 | 62.45 | 54.39 | 42/122 | 32/112 | 31/96 | 31/93 | 36/79 |
| | Manitoba | 85.63 | 74.04 | 73.35 | 74.61 | 80.29 | 9/122 | 26/112 | 21/96 | 20/93 | 9/79 |
| | New Brunswick | 89.81 | 90.01 | 90.84 | 95.01 | 67.29 | 5/122 | 7/112 | 4/96 | 1/93 | 23/79 |
| | Newfoundland & Labrador | 88.43 | 86.28 | 76.8 | 76.99 | 74.65 | 7/122 | 9/112 | 18/96 | 16/93 | 13/79 |
| | Northwest Territories | 63.96 | 57.54 | 63.75 | 50.36 | 40.21 | 38/122 | 47/112 | 29/96 | 48/93 | 52/79 |
| | Nova Scotia | 84.47 | 71.52 | 81.77 | 77.06 | 68.59 | 11/122 | 29/112 | 12/96 | 15/93 | 19/79 |
| | Nunavut | 63.97 | 60.42 | 59.89 | 58.51 | 47.65 | 37/122 | 44/112 | 37/96 | 36/93 | 44/79 |
| | Ontario | 72.35 | 73.14 | 78.33 | 79.44 | 68.75 | 21/122 | 28/112 | 16/96 | 13/93 | 18/79 |
| | Quebec | 83.64 | 75.6 | 81.93 | 88.96 | 86.53 | 12/122 | 21/112 | 11/96 | 5/93 | 4/79 |
| | Saskatchewan | 89.65 | 82.32 | 81.57 | 88.88 | 87.47 | 6/122 | 12/112 | 13/96 | 6/93 | 3/79 |
| | Yukon | 70.4 | 76.38 | 83.81 | 82.98 | 72.95 | 26/122 | 19/112 | 8/96 | 10/93 | 15/79 |
| United States | Alaska | 71.69 | 75.6 | 75.52 | 67.48 | 67.56 | 23/122 | 22/112 | 19/96 | 25/93 | 21/79 |
| | Arizona | 71.68 | 76.2 | 64.17 | 65.51 | 65.93 | 24/122 | 20/112 | 28/96 | 29/93 | 25/79 |
| | California | 56.31 | 51.24 | 45.29 | 45.81 | 35.1 | 49/122 | 51/112 | 56/96 | 51/93 | 56/79 |
| | Colorado | 71.19 | 64.8 | 61.92 | 60.48 | 46.95 | 25/122 | 38/112 | 34/96 | 33/93 | 46/79 |
| | Idaho | 67.35 | 70.02 | 61.63 | 66.81 | 55.68 | 30/122 | 31/112 | 35/96 | 26/93 | 33/79 |
| | Michigan | 66.05 | 77.76 | 62.25 | 72.15 | 47.92 | 34/122 | 17/112 | 33/96 | 23/93 | 42/79 |
| | Minnesota | 79.06 | 79.27 | 58.07 | 72.57 | 47.32 | 16/122 | 15/112 | 40/96 | 22/93 | 45/79 |
| | Montana | 59.47 | 66 | 55.88 | 54.03 | 40.81 | 45/122 | 36/112 | 46/96 | 40/93 | 50/79 |
| | Nevada | 79.89 | 87.72 | 85.29 | 84.53 | 89.27 | 15/122 | 8/112 | 7/96 | 8/93 | 2/79 |
| | New Mexico | 63.15 | 64.5 | 56.23 | 54.03 | 54.99 | 41/122 | 40/112 | 45/96 | 41/93 | 34/79 |
| | Utah | 80 | 78.06 | 83.81 | 72.92 | 85.07 | 14/122 | 16/112 | 9/96 | 21/93 | 6/79 |
| | Washington | 44.37 | 49.8 | 55.67 | 55.13 | 34.4 | 68/122 | 53/112 | 47/96 | 39/93 | 59/79 |
| | Wyoming | 87.89 | 92.59 | 90.06 | 89.55 | 77.82 | 8/122 | 5/112 | 5/96 | 4/93 | 10/79 |
| Australia | New South Wales | 67.00 | 64.68 | 56.36 | 62.44 | 68.17 | 31/122 | 39/112 | 44/96 | 32/93 | 20/79 |
| | Northern Territory | 69.21 | 81.84 | 68.52 | 81.54 | 62.18 | 28/122 | 13/112 | 22/96 | 11/93 | 27/79 |
| | Queensland | 66.13 | 74.34 | 62.83 | 65.51 | 52.77 | 33/122 | 24/112 | 32/96 | 28/93 | 38/79 |
| | South Australia | 76.09 | 82.92 | 75.46 | 75.29 | 75.94 | 19/122 | 11/112 | 20/96 | 19/93 | 11/79 |
| | Tasmania | 70.20 | 73.38 | 54.05 | 64.77 | 61.32 | 27/122 | 27/112 | 49/96 | 30/93 | 28/79 |
| | Victoria | 59.74 | 68.82 | 65.99 | 52.11 | 56.89 | 44/122 | 33/112 | 24/96 | 44/93 | 31/79 |
| | Western Australia | 84.91 | 90.31 | 79.32 | 81.48 | 70.63 | 10/122 | 6/112 | 15/96 | 12/93 | 17/79 |
| Oceania | Fiji | 53.01 | 30.96 | * | * | * | 53/122 | 73/112 | * | * | * |
| | Indonesia | 15.83 | 15.3 | 9.38 | 13.48 | 22.53 | 112/122 | 104/112 | 96/96 | 85/93 | 70/79 |
| | Malaysia | 5.23 | 37.32 | * | * | * | 120/122 | 69/112 | * | * | * |
| | New Zealand | 65.47 | 81 | 65.07 | 65.71 | 63.37 | 35/122 | 14/112 | 26/96 | 27/93 | 26/79 |
| | Papua New Guinea | 16.17 | 24.66 | 26.15 | 34.27 | 29.63 | 111/122 | 84/112 | 77/96 | 66/93 | 64/79 |
| | Philippines | 5.23 | 9.48 | 14.01 | 13.02 | 27.31 | 121/122 | 110/112 | 88/96 | 88/93 | 66/79 |
| | Solomon Islands | 20.21 | * | * | * | * | 104/122 | * | * | * | * |

## Table 2 continued

| | | Score | | | | | Rank | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 2014 | 2013 | 2012/ 2013 | 2011/ 2012 | 2010/ 2011 | 2014 | 2013 | 2012/ 2013 | 2011/ 2012 | 2010/ 2011 |
| Africa | Angola | 38.57 | 10.68 | * | * | * | 78/122 | 108/112 | * | * | * |
| | Botswana | 81.36 | 74.16 | 78.07 | 76.87 | 73.98 | 13/122 | 25/112 | 17/96 | 17/93 | 14/79 |
| | Burkina Faso | 64.52 | 58.87 | 45.98 | 57.49 | 66.29 | 36/122 | 46/112 | 55/96 | 38/93 | 24/79 |
| | Central African Republic | 10.73 | * | * | * | * | 115/122 | * | * | * | * |
| | Democratic Republic of Congo (DRC) | 27.85 | 23.88 | 12.33 | 19.94 | 7.77 | 94/122 | 85/112 | 93/96 | 76/93 | 77/79 |
| | Egypt | 26.54 | * | * | * | * | 96/122 | * | * | * | * |
| | Eritrea | 37.15 | 50.05 | * | * | * | 81/122 | 52/112 | * | * | * |
| | Ethiopia | 13.15 | 27.84 | * | * | * | 114/122 | 78/112 | * | * | * |
| | Ghana | 57.97 | 60.6 | 48.15 | 52.88 | 45.14 | 47/122 | 43/112 | 54/96 | 43/93 | 47/79 |
| | Guinea(Conakry) | 31.97 | 28.2 | 26.35 | 16.62 | 40.23 | 88/122 | 77/112 | 76/96 | 83/93 | 51/79 |
| | Ivory Coast | 49.02 | 14.88 | * | * | * | 61/122 | 105/112 | * | * | * |
| | Kenya | 20.03 | 27.24 | * | * | * | 107/122 | 79/112 | * | * | * |
| | Lesotho*** | 43.93 | * | * | * | * | 70/122 | * | * | * | * |
| | Liberia*** | 51.97 | 38.46 | * | * | * | 57/122 | 66/112 | * | * | * |
| | Madagascar | 34.07 | 15.6 | 16.55 | 41.96 | 15.63 | 83/122 | 103/112 | 85/96 | 59/93 | 73/79 |
| | Mali | 49.36 | 36.3 | 24.95 | 52.88 | 58.24 | 60/122 | 70/112 | 79/96 | 42/93 | 29/79 |
| | Mauritania | 43.17 | * | * | * | * | 71/122 | * | * | * | * |
| | Morocco | 57.20 | * | * | * | * | 48/122 | * | * | * | * |
| | Mozambique | 33.41 | 29.94 | * | * | * | 85/122 | 76/112 | * | * | * |
| | Namibia | 75.25 | 68.35 | 63.67 | 51.58 | 57.9 | 20/122 | 34/112 | 30/96 | 45/93 | 30/79 |
| | Niger | 41.79 | 31.8 | 32.19 | 30.68 | 47.91 | 75/122 | 72/112 | 70/96 | 68/93 | 43/79 |
| | Nigeria | 10.63 | 30.54 | * | * | * | 117/122 | 75/112 | * | * | * |
| | Sierra Leone | 37.25 | 17.16 | * | * | * | 80/122 | 96/112 | * | * | * |
| | South Africa | 44.47 | 39.78 | 34.97 | 44.53 | 23.37 | 66/122 | 64/112 | 64/96 | 54/93 | 67/79 |
| | South Sudan | 9.25 | * | * | * | * | 119/122 | * | * | * | * |
| | Sudan*** | 10.63 | * | * | * | * | 116/122 | * | * | * | * |
| | Tanzania | 54.66 | 42.96 | 28.02 | 38.82 | 32.35 | 50/122 | 62/112 | 74/96 | 63/93 | 61/79 |
| | Uganda | 44.91 | * | * | * | * | 65/122 | * | * | * | * |
| | Zambia | 52.35 | 48 | 41.69 | 46.08 | 34.91 | 54/122 | 57/112 | 59/96 | 50/93 | 57/79 |
| | Zimbabwe | 9.51 | 14.58 | 13.44 | 21.77 | 22.35 | 118/122 | 106/112 | 91/96 | 74/93 | 71/79 |
| Argentina | Argentina | ** | ** | ** | ** | 32.44 | ** | ** | ** | ** | 60/79 |
| | Catamarca | 54.05 | 16.62 | 56.87 | 39.03 | * | 51/122 | 98/112 | 43/96 | 61/93 | * |
| | Chubut | 30.93 | 18.24 | 25.99 | 24.64 | * | 89/122 | 93/112 | 78/96 | 70/93 | * |
| | Jujuy | 60.65 | 43.2 | 34.49 | 20.08 | * | 43/122 | 61/112 | 65/96 | 75/93 | * |
| | La Rioja | 37.49 | 10.26 | 26.49 | * | * | 79/122 | 109/112 | 75/96 | * | * |
| | Mendoza | 22.61 | 14.16 | 36.15 | 22.24 | * | 101/122 | 107/112 | 62/96 | 73/93 | * |
| | Neuquen | 40.74 | 15.96 | 59.25 | * | * | 76/122 | 102/112 | 39/96 | * | * |
| | Rio Negro | 51.46 | 20.7 | 57.91 | 25.66 | * | 58/122 | 90/112 | 41/96 | 69/93 | * |
| | Salta | 78.51 | 62.7 | 59.67 | 43.91 | * | 17/122 | 41/112 | 38/96 | 55/93 | * |
| | San Juan | 68.87 | 49.62 | 53.28 | 38.95 | * | 29/122 | 54/112 | 51/96 | 62/93 | * |
| | Santa Cruz | 30.76 | 26.04 | 32.66 | 35.69 | * | 91/122 | 83/112 | 68/96 | 65/93 | * |

## Table 2 continued

| | | Score | | | | | Rank | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 2014 | 2013 | 2012/2013 | 2011/2012 | 2010/2011 | 2014 | 2013 | 2012/2013 | 2011/2012 | 2010/2011 |
| Latin America and the Caribbean Basin | Bolivia | 20.13 | 16.5 | 13.79 | 8.14 | 9.13 | 105/122 | 99/112 | 90/96 | 91/93 | 76/79 |
| | Brazil | 33.01 | 39.12 | 38.19 | 43.29 | 43.2 | 87/122 | 65/112 | 61/96 | 57/93 | 49/79 |
| | Chile | 72.23 | 70.86 | 67.67 | 75.3 | 81.32 | 22/122 | 30/112 | 23/96 | 18/93 | 8/79 |
| | Colombia | 41.99 | 31.86 | 34.41 | 37.99 | 51.24 | 74/122 | 71/112 | 66/96 | 64/93 | 40/79 |
| | Dominican Republic | 17.27 | 16.98 | 39.67 | 31.48 | * | 109/122 | 97/112 | 60/96 | 67/93 | * |
| | Ecuador | 24.86 | 18.72 | 18.97 | 13.14 | 27.89 | 99/122 | 92/112 | 82/96 | 86/93 | 65/79 |
| | French Guiana | 33.53 | 66.96 | 64.59 | * | * | 84/122 | 35/112 | 27/96 | * | * |
| | Guatemala | 27.08 | 18.06 | 13.8 | 2.92 | 9.99 | 95/122 | 94/112 | 89/96 | 92/93 | 75/79 |
| | Guyana | 50.87 | 37.8 | 32.89 | 44.67 | * | 59/122 | 68/112 | 67/96 | 53/93 | * |
| | Honduras | 4.29 | 16.08 | 17.94 | 1.69 | 1.19 | 122/122 | 101/112 | 83/96 | 93/93 | 79/79 |
| | Mexico | 52.02 | 56.52 | 57.28 | 58.79 | 54.65 | 56/122 | 48/112 | 42/96 | 35/93 | 35/79 |
| | Nicaragua | 42.77 | 27 | * | * | * | 72/122 | 80/112 | * | * | * |
| | Panama | 44.43 | 47.64 | 35.75 | 16.88 | 23.29 | 67/122 | 58/112 | 63/96 | 82/93 | 68/79 |
| | Peru | 53.88 | 48.48 | 42.05 | 43.37 | 43.63 | 52/122 | 56/112 | 58/96 | 56/93 | 48/79 |
| | Suriname | 30.77 | 30.9 | 30.98 | 23.41 | * | 90/122 | 74/112 | 71/96 | 72/93 | * |
| | Uruguay | 58.20 | 26.34 | * | * | * | 46/122 | 82/112 | * | * | * |
| | Venezuela | 15.35 | 6.48 | 11.83 | 10.91 | 1.28 | 113/122 | 111/112 | 94/96 | 90/93 | 78/79 |
| Asia | Cambodia | 48.67 | * | * | * | * | 62/122 | * | * | * | * |
| | China | 20.73 | 21.3 | 28.51 | 43.08 | 30.9 | 103/122 | 88/112 | 72/96 | 58/93 | 62/79 |
| | India | 47.45 | 40.02 | 21.1 | 12.41 | 10.59 | 63/122 | 63/112 | 81/96 | 89/93 | 74/79 |
| | Kazakhstan | 42.39 | 22.08 | 23.27 | 17.03 | 30.38 | 73/122 | 87/112 | 80/96 | 81/93 | 63/79 |
| | Kyrgyzstan | 28.07 | 5.34 | 13.39 | 13.09 | 51.43 | 93/122 | 112/112 | 92/96 | 87/93 | 39/79 |
| | Laos | 20.04 | 17.52 | * | 18.33 | * | 106/122 | 95/112 | * | 79/93 | * |
| | Mongolia | 17.11 | 16.14 | 17.94 | 19.53 | 35.7 | 110/122 | 100/112 | 84/96 | 78/93 | 54/79 |
| | Myanmar | 47.06 | 37.86 | * | * | * | 64/122 | 67/112 | * | * | * |
| | Thailand | 52.33 | 53.22 | * | * | * | 55/122 | 50/112 | * | * | * |
| | Vietnam | 26.04 | 44.34 | 11.64 | 14.39 | 35.51 | 97/122 | 60/112 | 95/96 | 84/93 | 55/79 |
| Europe | Bulgaria | 25.93 | 55.86 | 53.58 | 50.58 | 55.94 | 98/122 | 49/112 | 50/96 | 47/93 | 32/79 |
| | Finland | 94.67 | 94.33 | 95.53 | 92.36 | 86.03 | 2/122 | 2/112 | 1/96 | 2/93 | 5/79 |
| | France | 63.59 | 76.93 | * | * | * | 39/122 | 18/112 | * | * | * |
| | Greenland | 66.52 | 75.3 | 79.88 | 78.16 | 74.93 | 32/122 | 23/112 | 14/96 | 14/93 | 12/79 |
| | Greece | 35.45 | 21.3 | 15.55 | * | * | 82/122 | 89/112 | 87/96 | * | * |
| | Hungary*** | 21.35 | * | * | * | * | 102/122 | * | * | * | * |
| | Ireland | 95.99 | 93.38 | 89.71 | 82.98 | 72.61 | 1/122 | 4/112 | 6/96 | 9/93 | 16/79 |
| | Norway | 76.93 | 84.96 | 82.4 | 71.98 | 67.31 | 18/122 | 10/112 | 10/96 | 24/93 | 22/79 |
| | Poland | 40.56 | 44.7 | 42.71 | 51.24 | * | 77/122 | 59/112 | 57/96 | 46/93 | * |
| | Portugal | 63.54 | 61.32 | * | * | * | 40/122 | 42/112 | * | * | * |
| | Romania | 19.37 | 22.86 | 16.17 | 17.99 | 37.92 | 108/122 | 86/112 | 86/96 | 80/93 | 53/79 |
| | Russia | 30.49 | 19.44 | 28.11 | 24.56 | 23.13 | 92/122 | 91/112 | 73/96 | 71/93 | 69/79 |
| | Serbia | 24.05 | 48.54 | 49.94 | * | * | 100/122 | 55/112 | 52/96 | * | * |
| | Spain | 33.13 | 59.04 | 54.55 | 57.56 | 52.87 | 86/122 | 45/112 | 48/96 | 37/93 | 37/79 |
| | Sweden | 92.51 | 95.17 | 93.63 | 85.48 | 82.25 | 4/122 | 1/112 | 2/96 | 7/93 | 7/79 |
| | Turkey | 44.15 | 65.16 | 49.71 | 40.99 | 34.66 | 69/122 | 37/112 | 53/96 | 60/93 | 58/79 |

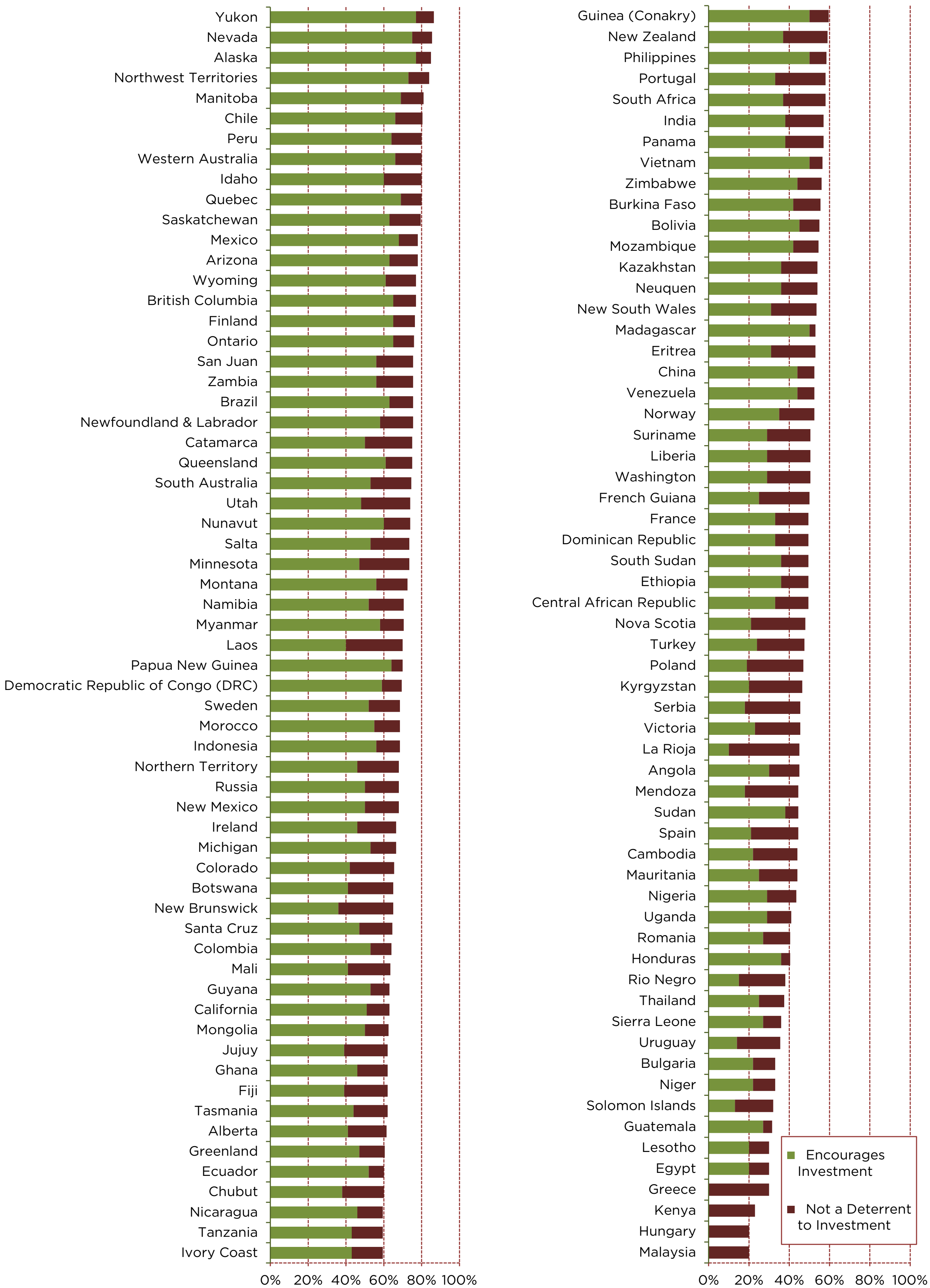
Notes: *Not Available; **Argentina is no longer reported as a single jurisdiction (we now report separately on the sub-national jurisdictions); ***Between 5 and 9 responses.

all “encourages” answers, but only 50 percent of the “not a deterrent” answers (please see the “Summary Indexes” discussion for additional details).

The maximum score possible on this index is 1. This year, Yukon places first with a score of 0.87 (see figure 3). Nevada and Alaska follow closely, with scores of 0.86 and 0.85, respectively. Northwest Territories and Manitoba round out the top five for pure mineral potential. Other top-ranked jurisdictions include Chile, Peru, Western Australia, and Idaho, as well as Canadian jurisdictions Quebec and Saskatchewan, each with a score of 0.80, and Newfoundland & Labrador and Manitoba, both of which have a score of 0.78. The lowest-rated jurisdictions on this index are Malaysia (0.20), Hungary (0.20), Kenya (0.23), Greece (0.30), Lesotho (0.30), and Egypt (0.30).

Table 3 details the relative improvement or deterioration of the performance of each jurisdiction surveyed on the Best Practices Mineral Potential Index.

# Figure 3: Best Practices Mineral Potential Index



## Table 3: Best Practices Mineral Potential Index

| | | Score | | | | | Rank | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 2014 | 2013 | 2012/ 2013 | 2011/ 2012 | 2010/ 2011 | 2014 | 2013 | 2012/ 2013 | 2011/ 2012 | 2010/ 2011 |
| Canada | Alberta | 0.62 | 0.66 | 0.57 | 0.64 | 0.61 | 56/122 | 34/112 | 50/96 | 57/93 | 59/79 |
| | British Columbia | 0.77 | 0.8 | 0.72 | 0.83 | 0.8 | 14/122 | 5/112 | 18/96 | 12/93 | 23/79 |
| | Manitoba | 0.81 | 0.78 | 0.69 | 0.76 | 0.74 | 5/122 | 10/112 | 25/96 | 26/93 | 33/79 |
| | New Brunswick | 0.65 | 0.59 | 0.6 | 0.52 | 0.43 | 44/122 | 52/112 | 44/96 | 78/93 | 74/79 |
| | Newfoundland & Labrador | 0.76 | 0.78 | 0.68 | 0.82 | 0.76 | 21/122 | 9/112 | 29/96 | 15/93 | 29/79 |
| | Northwest Territories | 0.84 | 0.78 | 0.73 | 0.85 | 0.87 | 4/122 | 11/112 | 16/96 | 6/93 | 8/79 |
| | Nova Scotia | 0.48 | 0.5 | 0.4 | 0.47 | 0.4 | 92/122 | 83/112 | 86/96 | 87/93 | 78/79 |
| | Nunavut | 0.74 | 0.75 | 0.74 | 0.85 | 0.84 | 25/122 | 15/112 | 12/96 | 5/93 | 16/79 |
| | Ontario | 0.76 | 0.77 | 0.75 | 0.78 | 0.85 | 17/122 | 12/112 | 8/96 | 25/93 | 11/79 |
| | Quebec | 0.80 | 0.73 | 0.73 | 0.82 | 0.84 | 10/122 | 17/112 | 16/96 | 13/93 | 17/79 |
| | Saskatchewan | 0.80 | 0.76 | 0.74 | 0.81 | 0.89 | 11/122 | 14/112 | 12/96 | 20/93 | 5/79 |
| | Yukon | 0.87 | 0.79 | 0.81 | 0.89 | 0.9 | 1/122 | 7/112 | 2/96 | 2/93 | 2/79 |
| United States | Alaska | 0.85 | 0.83 | 0.78 | 0.93 | 0.93 | 3/122 | 1/112 | 5/96 | 1/93 | 1/79 |
| | Arizona | 0.78 | 0.7 | 0.68 | 0.73 | 0.76 | 12/122 | 25/112 | 29/96 | 31/93 | 30/79 |
| | California | 0.63 | 0.55 | 0.51 | 0.58 | 0.58 | 49/122 | 65/112 | 63/96 | 67/93 | 64/79 |
| | Colorado | 0.66 | 0.57 | 0.56 | 0.64 | 0.7 | 43/122 | 58/112 | 55/96 | 55/93 | 47/79 |
| | Idaho | 0.80 | 0.65 | 0.56 | 0.68 | 0.65 | 7/122 | 36/112 | 55/96 | 36/93 | 56/79 |
| | Michigan | 0.67 | 0.62 | 0.45 | 0.55 | 0.54 | 41/122 | 42/112 | 78/96 | 72/93 | 68/79 |
| | Minnesota | 0.74 | 0.53 | 0.5 | 0.54 | 0.77 | 27/122 | 75/112 | 64/96 | 75/93 | 27/79 |
| | Montana | 0.73 | 0.61 | 0.59 | 0.7 | 0.7 | 29/122 | 45/112 | 45/96 | 33/93 | 47/79 |
| | Nevada | 0.86 | 0.82 | 0.76 | 0.81 | 0.85 | 2/122 | 3/112 | 7/96 | 17/93 | 13/79 |
| | New Mexico | 0.68 | 0.55 | 0.49 | 0.64 | 0.68 | 39/122 | 64/112 | 67/96 | 54/93 | 52/79 |
| | Utah | 0.74 | 0.74 | 0.64 | 0.66 | 0.71 | 26/122 | 16/112 | 39/96 | 48/93 | 45/79 |
| | Washington | 0.51 | 0.48 | 0.37 | 0.5 | 0.43 | 83/122 | 87/112 | 88/96 | 80/93 | 75/79 |
| | Wyoming | 0.77 | 0.66 | 0.69 | 0.68 | 0.74 | 15/122 | 35/112 | 25/96 | 42/93 | 36/79 |
| Australia | New South Wales | 0.54 | 0.62 | 0.49 | 0.55 | 0.55 | 77/122 | 43/112 | 67/96 | 71/93 | 67/79 |
| | Northern Territory | 0.68 | 0.7 | 0.68 | 0.66 | 0.72 | 38/122 | 24/112 | 29/96 | 49/93 | 42/79 |
| | Queensland | 0.75 | 0.73 | 0.72 | 0.75 | 0.8 | 22/122 | 18/112 | 18/96 | 29/93 | 22/79 |
| | South Australia | 0.75 | 0.68 | 0.69 | 0.79 | 0.73 | 24/122 | 29/112 | 25/96 | 23/93 | 39/79 |
| | Tasmania | 0.62 | 0.57 | 0.46 | 0.47 | 0.66 | 52/122 | 60/112 | 75/96 | 86/93 | 55/79 |
| | Victoria | 0.46 | 0.53 | 0.4 | 0.37 | 0.42 | 96/122 | 73/112 | 86/96 | 91/93 | 76/79 |
| | Western Australia | 0.80 | 0.82 | 0.77 | 0.83 | 0.87 | 8/122 | 2/112 | 6/96 | 11/93 | 7/79 |
| Oceania | Fiji | 0.62 | 0.4 | * | * | * | 53/122 | 101/112 | * | * | * |
| | Indonesia | 0.69 | 0.73 | 0.79 | 0.84 | 0.85 | 35/122 | 20/112 | 3/96 | 10/93 | 12/79 |
| | Malaysia | 0.20 | 0.53 | * | * | * | 121/122 | 72/112 | * | * | * |
| | New Zealand | 0.59 | 0.54 | 0.46 | 0.47 | 0.5 | 64/122 | 68/112 | 75/96 | 88/93 | 70/79 |
| | Papua New Guinea | 0.70 | 0.77 | 0.79 | 0.89 | 0.89 | 32/122 | 13/112 | 3/96 | 3/93 | 6/79 |
| | Philippines | 0.59 | 0.79 | 0.74 | 0.85 | 0.82 | 65/122 | 6/112 | 12/96 | 7/93 | 19/79 |
| | Solomon Islands | 0.32 | * | * | * | * | 115/122 | * | * | * | * |

## Table 3 continued

| | | Score | | | | | Rank | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 2014 | 2013 | 2012/ 2013 | 2011/ 2012 | 2010/ 2011 | 2014 | 2013 | 2012/ 2013 | 2011/ 2012 | 2010/ 2011 |
| Africa | Angola | 0.45 | 0.5 | * | * | * | 98/122 | 80/112 | * | * | * |
| | Botswana | 0.65 | 0.68 | 0.75 | 0.78 | 0.77 | 45/122 | 30/112 | 8/96 | 24/93 | 28/79 |
| | Burkina Faso | 0.56 | 0.56 | 0.55 | 0.76 | 0.81 | 72/122 | 62/112 | 58/96 | 28/93 | 21/79 |
| | Central African Republic | 0.50 | * | * | * | * | 87/122 | * | * | * | * |
| | Democratic Republic of Congo (DRC) | 0.70 | 0.69 | 0.7 | 0.87 | 0.9 | 34/122 | 26/112 | 23/96 | 4/93 | 4/79 |
| | Egypt | 0.30 | * | * | * | * | 117/122 | * | * | * | * |
| | Eritrea | 0.53 | 0.63 | * | * | * | 78/122 | 40/112 | * | * | * |
| | Ethiopia | 0.50 | 0.5 | * | * | * | 88/122 | 78/112 | * | * | * |
| | Ghana | 0.62 | 0.67 | 0.58 | 0.81 | 0.75 | 54/122 | 32/112 | 47/96 | 18/93 | 31/79 |
| | Guinea (Conakry) | 0.60 | 0.54 | 0.43 | 0.66 | 0.73 | 60/122 | 69/112 | 82/96 | 50/93 | 39/79 |
| | Ivory Coast | 0.60 | 0.6 | * | * | * | 61/122 | 50/112 | * | * | * |
| | Kenya | 0.23 | 0.54 | * | * | * | 120/122 | 71/112 | * | * | * |
| | Lesotho*** | 0.30 | * | * | * | * | 118/122 | * | * | * | * |
| | Liberia*** | 0.51 | 0.63 | * | * | * | 84/122 | 41/112 | * | * | * |
| | Madagascar | 0.64 | 0.6 | 0.58 | 0.62 | 0.68 | 48/122 | 48/112 | 47/ 96 | 60/93 | 51/79 |
| | Mali | 0.53 | 0.53 | 0.48 | 0.71 | 0.79 | 79/122 | 74/112 | 71/ 96 | 32/93 | 24/79 |
| | Mauritania | 0.44 | * | * | * | * | 103/122 | * | * | * | * |
| | Morocco | 0.69 | * | * | * | * | 36/122 | * | * | * | * |
| | Mozambique | 0.55 | 0.36 | * | * | * | 74/122 | 105/112 | * | * | * |
| | Namibia | 0.71 | 0.61 | 0.62 | 0.5 | 0.69 | 30/122 | 47/112 | 40/ 96 | 80/93 | 49/79 |
| | Niger | 0.33 | 0.19 | 0.35 | 0.57 | 0.58 | 113/122 | 111/112 | 91/ 96 | 69/93 | 65/79 |
| | Nigeria | 0.44 | 0.59 | * | * | * | 105/122 | 53/112 | * | * | * |
| | Sierra Leone | 0.36 | 0.5 | * | * | * | 111/122 | 81/112 | * | * | * |
| | South Africa | 0.58 | 0.65 | 0.57 | 0.64 | 0.72 | 67/122 | 37/112 | 50/ 96 | 56/93 | 43/79 |
| | South Sudan | 0.50 | * | * | * | * | 89/122 | * | * | * | * |
| | Sudan*** | 0.45 | * | * | * | * | 100/122 | * | * | * | * |
| | Tanzania | 0.60 | 0.56 | 0.67 | 0.67 | 0.79 | 62/122 | 63/112 | 32/ 96 | 47/93 | 25/79 |
| | Uganda | 0.41 | * | * | * | * | 106/122 | * | * | * | * |
| | Zambia | 0.76 | 0.69 | 0.6 | 0.61 | 0.78 | 18/122 | 28/112 | 43/ 96 | 62/93 | 26/79 |
| | Zimbabwe | 0.56 | 0.48 | 0.52 | 0.64 | 0.74 | 71/122 | 85/112 | 62/ 96 | 58/93 | 34/79 |
| Argentina | Argentina | ** | ** | ** | ** | 0.71 | ** | ** | ** | ** | 44/79 |
| | Catamarca | 0.75 | 0.4 | 0.57 | 0.68 | * | 23/122 | 100/112 | 50/ 96 | 39/93 | * |
| | Chubut | 0.60 | 0.48 | 0.48 | 0.84 | * | 58/122 | 88/112 | 71/ 96 | Sep-93 | * |
| | Jujuy | 0.62 | 0.38 | 0.58 | 0.5 | * | 55/122 | 104/112 | 47/ 96 | 80/93 | * |
| | La Rioja | 0.45 | 0.38 | 0.56 | * | * | 99/122 | 103/112 | 55/ 96 | * | * |
| | Mendoza | 0.45 | 0.45 | 0.5 | 0.57 | * | 101/122 | 95/112 | 64/ 96 | 69/93 | * |
| | Neuquen | 0.54 | 0.39 | 0.36 | * | * | 75/122 | 102/112 | 90/ 96 | * | * |
| | Rio Negro | 0.38 | 0.36 | 0.44 | 0.68 | * | 109/122 | 106/112 | 79/ 96 | 42/93 | * |
| | Salta | 0.74 | 0.6 | 0.49 | 0.55 | * | 28/122 | 49/112 | 67/ 96 | 74/93 | * |
| | San Juan | 0.76 | 0.58 | 0.57 | 0.69 | * | 19/122 | 54/112 | 50/ 96 | 35/93 | * |
| | Santa Cruz | 0.65 | 0.58 | 0.62 | 0.65 | * | 46/122 | 57/112 | 40/ 96 | 52/93 | * |

## Table 3 continued

| | | Score | | | | | Rank | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 2014 | 2013 | 2012/ 2013 | 2011/ 2012 | 2010/ 2011 | 2014 | 2013 | 2012/ 2013 | 2011/ 2012 | 2010/ 2011 |
| Latin America and the Caribbean Basin | Bolivia | 0.55 | 0.57 | 0.49 | 0.58 | 0.6 | 73/122 | 61/112 | 67/ 96 | 66/93 | 62/79 |
| | Brazil | 0.76 | 0.67 | 0.65 | 0.81 | 0.86 | 20/122 | 33/112 | 35/ 96 | 21/93 | 9/79 |
| | Chile | 0.81 | 0.8 | 0.75 | 0.81 | 0.85 | 6/122 | 4/112 | 8/ 96 | 18/93 | 14/79 |
| | Colombia | 0.64 | 0.64 | 0.71 | 0.8 | 0.9 | 47/122 | 38/112 | 21/ 96 | 22/93 | 3/79 |
| | Dominican Republic | 0.50 | 0.46 | 0.44 | 0.29 | * | 90/122 | 94/112 | 79/ 96 | 93/93 | * |
| | Ecuador | 0.60 | 0.51 | 0.54 | 0.65 | 0.7 | 59/122 | 77/112 | 60/ 96 | 51/93 | 46/79 |
| | French Guiana | 0.50 | 0.25 | 0.37 | * | * | 86/122 | 110/112 | 88/ 96 | * | * |
| | Guatemala | 0.32 | 0.47 | 0.44 | 0.63 | 0.69 | 116/122 | 93/112 | 79/ 96 | 59/93 | 50/79 |
| | Guyana | 0.63 | 0.5 | 0.55 | 0.53 | * | 50/122 | 79/112 | 58/ 96 | 77/93 | * |
| | Honduras | 0.41 | 0.32 | 0.29 | 0.53 | 0.59 | 108/122 | 109/112 | 95/ 96 | 76/93 | 63/79 |
| | Mexico | 0.78 | 0.71 | 0.72 | 0.85 | 0.86 | 13/122 | 22/112 | 18/ 96 | 8/93 | 10/79 |
| | Nicaragua | 0.60 | 0.42 | * | * | * | 63/122 | 97/112 | * | * | * |
| | Panama | 0.57 | 0.53 | 0.42 | 0.58 | 0.63 | 68/122 | 76/112 | 84/ 96 | 68/93 | 57/79 |
| | Peru | 0.80 | 0.73 | 0.65 | 0.82 | 0.85 | 9/122 | 19/112 | 35/ 96 | 14/93 | 15/79 |
| | Suriname | 0.51 | 0.33 | 0.47 | 0.55 | * | 85/122 | 107/112 | 73/ 96 | 73/93 | * |
| | Uruguay | 0.36 | 0.08 | * | * | * | 112/122 | 112/112 | * | * | * |
| | Venezuela | 0.53 | 0.4 | 0.46 | 0.59 | 0.56 | 80/122 | 99/112 | 75/ 96 | 65/93 | 66/79 |
| Asia | Cambodia | 0.44 | * | * | * | * | 104/122 | * | * | * | * |
| | China | 0.53 | 0.63 | 0.59 | 0.67 | 0.73 | 81/122 | 39/112 | 45/ 96 | 46/93 | 37/79 |
| | India | 0.57 | 0.5 | 0.69 | 0.68 | 0.5 | 69/122 | 82/112 | 25/ 96 | 44/93 | 70/79 |
| | Kazakhstan | 0.54 | 0.68 | 0.67 | 0.7 | 0.75 | 76/122 | 31/112 | 32/ 96 | 33/93 | 31/79 |
| | Kyrgyzstan | 0.47 | 0.47 | 0.71 | 0.68 | 0.67 | 95/122 | 92/112 | 21/ 96 | 39/93 | 53/79 |
| | Laos | 0.70 | 0.43 | * | 0.65 | * | 33/122 | 96/112 | * | 53/93 | * |
| | Mongolia | 0.63 | 0.59 | 0.84 | 0.82 | 0.83 | 51/122 | 51/112 | 1/ 96 | 16/93 | 18/79 |
| | Myanmar | 0.71 | 0.62 | * | * | * | 31/122 | 44/112 | * | * | * |
| | Thailand | 0.38 | 0.41 | * | * | * | 110/122 | 98/112 | * | * | * |
| | Vietnam | 0.57 | 0.47 | 0.62 | 0.36 | 0.6 | 70/122 | 91/112 | 40/ 96 | 92/93 | 61/79 |
| Europe | Bulgaria | 0.33 | 0.5 | 0.32 | 0.5 | 0.45 | 114/122 | 84/112 | 94/ 96 | 80/93 | 73/79 |
| | Finland | 0.77 | 0.71 | 0.7 | 0.68 | 0.74 | 16/122 | 21/112 | 23/ 96 | 36/93 | 34/79 |
| | France | 0.50 | 0.47 | * | * | * | 91/122 | 90/112 | * | * | * |
| | Greenland | 0.61 | 0.79 | 0.74 | 0.76 | 0.73 | 57/122 | 8/112 | 12/ 96 | 27/93 | 39/79 |
| | Greece | 0.30 | 0.55 | 0.25 | * | * | 119/122 | 66/112 | 96/ 96 | * | * |
| | Hungary*** | 0.20 | * | * | * | * | 122/122 | * | * | * | * |
| | Ireland | 0.67 | 0.61 | 0.47 | 0.6 | 0.61 | 42/122 | 46/112 | 73/ 96 | 63/93 | 60/79 |
| | Norway | 0.53 | 0.58 | 0.57 | 0.5 | 0.53 | 82/122 | 56/112 | 50/ 96 | 80/93 | 69/79 |
| | Poland | 0.47 | 0.57 | 0.35 | 0.68 | * | 94/122 | 59/112 | 91/ 96 | 39/93 | * |
| | Portugal | 0.58 | 0.48 | * | * | * | 66/122 | 86/112 | * | * | * |
| | Romania | 0.41 | 0.48 | 0.42 | 0.47 | 0.61 | 107/122 | 89/112 | 84/ 96 | 89/93 | 58/79 |
| | Russia | 0.68 | 0.55 | 0.65 | 0.68 | 0.67 | 40/122 | 67/112 | 35/ 96 | 38/93 | 54/79 |
| | Serbia | 0.46 | 0.54 | 0.65 | * | * | 97/122 | 70/112 | 35/ 96 | * | * |
| | Spain | 0.45 | 0.58 | 0.43 | 0.52 | 0.41 | 102/122 | 55/112 | 82/ 96 | 79/93 | 77/79 |
| | Sweden | 0.69 | 0.69 | 0.67 | 0.68 | 0.73 | 37/122 | 27/112 | 32/ 96 | 45/93 | 38/79 |
| | Turkey | 0.48 | 0.7 | 0.75 | 0.73 | 0.81 | 93/122 | 23/112 | 8/ 96 | 30/93 | 20/79 |

Notes: *Not Available; **Argentina is no longer reported as a single jurisdiction (we now report separately on the sub-national jurisdictions); ***Between 5 and 9 responses.

# Survey Methodology

## Survey background

The mining industry is an important contributor to the Canadian economy. It provides materials essential for all sectors of the economy, as well as employment and government revenues. Mining contributes to economic growth worldwide and Canadian mining companies operate in jurisdictions around the world. While mineral potential is obviously a very important consideration in encouraging or dissuading mining investment, the impact of government policies can be significant.

Many regions around the world have attractive geology and competitive policies, allowing exploration investment to be shifted away from jurisdictions with unattractive policies. The deterrent effects of policy on exploration investment may not be immediately apparent due to the lag time between the implementation of policy changes and the hampering of economic activity and subsequent job losses.

Since 1997, the Fraser Institute has conducted an annual survey of mining and exploration companies to assess how mineral endowments and public policy factors such as taxation and regulation affect exploration investment. Our purpose is to create a "report card" that governments can use to improve their mining-related public policy in order to attract investment in their mining sector to better their economic productivity and employment.

The survey now includes 122 jurisdictions from all continents except Antarctica. New jurisdictions added to in this year's report include Solomon Islands in Oceania; Central African Republic, Egypt, Lesotho, Mauritania, Morocco, South Sudan, Sudan, and Uganda in Africa; Cambodia in Asia; and Hungary in Europe. The 2014 questionnaire also included Afghanistan, Belarus, Iraq, Israel, Oman, Tajikistan, Tunisia, Malawi, Pakistan, New Caledonia, Republic of the Congo (Brazzaville), Swaziland, Jordan, and Saudi Arabia. However, there were insufficient responses for these jurisdictions to include them in the report.[1]

Jurisdictions are added to the survey based on interest from survey respondents. This survey is published annually and the results are available and accessible to an increasingly global audience. In the past, detailed tables were included in the report in an appendix showing

1 The minimum threshold for inclusion this year was 10 responses. However, jurisdictions with between 5 and 9 responses were also included but have been noted accordingly. Any jurisdiction with less than 5 responses was dropped.

the breakdown of scores on each question for each individual jurisdiction. Those tables are now available online at www.fraserinstitute.org.

The Fraser Institute's mining survey is an informal survey that attempts to assess the perceptions of mining company executives about various areas of optimal and sub-optimal public policies that might affect the hospitality of a jurisdiction to mining investment. Given the survey's very broad circulation, its extensive press coverage, and positive feedback about the survey's utility from miners, investors, and policymakers, we believe that the survey captures, at least in broad strokes, the perceptions of those involved in both mining and the regulation of mining in the jurisdictions included in the survey.

## Sample design

The survey is designed[2] to identify the provinces, states, and countries whose policies are the most attractive for encouraging investment in mining exploration and production. Jurisdictions assessed by investors as relatively unattractive may therefore be prompted to consider reforms that would improve their ranking. Presumably, mining companies use the information provided to corroborate their own assessments and to identify jurisdictions where business conditions and the regulatory environment are most attractive for investment. The survey results are also a useful source of information for the media, providing independent information about how particular jurisdictions compare.

The 2014 survey was distributed to approximately 4,200 managers and executives around the world in companies involved in mining exploration, development, and other related activities. The names of potential respondents were compiled from commercially available lists, publicly available membership lists of trade associations, and other sources. Several mining publications and associations also helped publicize the survey. (They are listed in the acknowledgements.)

The survey was conducted from August 26$^{th}$ to November 15$^{th}$, 2014.

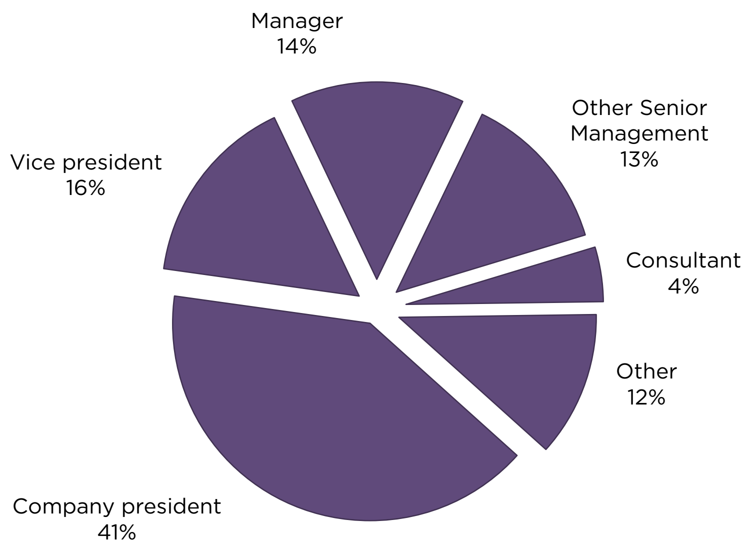
A total of 485 responses were received from individuals, of whom 390 completed the full survey and 95 completed part of the survey. As figure 4 illustrates, over half of the respondents (57 percent) are either the company president or vice-president, and a further 27 percent are either managers or senior managers. The companies that participated in the survey reported exploration spending of US$2.7 billion in 2014 and US$3.2 billion in

2 This year, an activist group attempted to undermine the survey by filing false surveys through a web link that we had previously only distributed to trade associations for use by their members who may not have received an original invitation to complete the survey. The link was de-activated within about 24 hours of the revelation of the prank, and we were able to identify and remove the false surveys, leaving only surveys completed by direct invitation from our mining company executive lists.

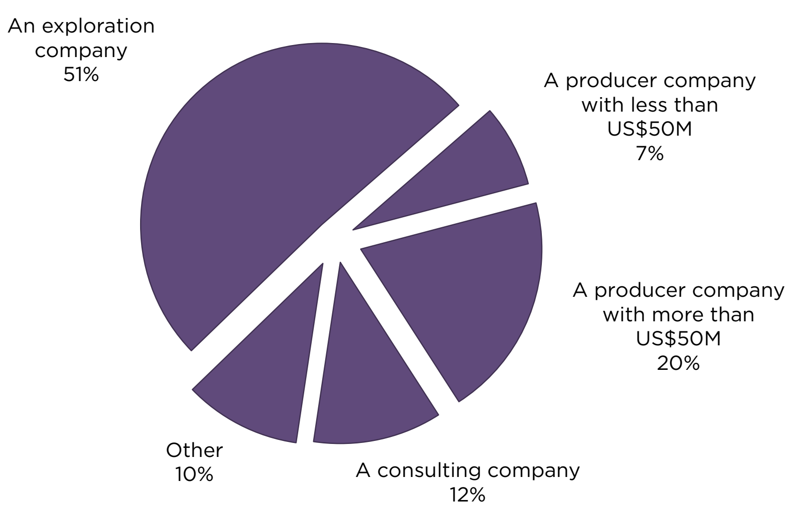
2013. This represents a notable decline from the 2013 Survey of Mining Companies (where exploration spending of US$3.4 billion in 2013 and US$4.6 billion in 2012 was reported), and represents a continuing trend of decreases in exploration spending year after year, likely due to challenges in attracting investment to the sector.

Figure 5 shows that over half of the 2014 survey respondents represent exploration companies. Just over a quarter (27 percent) represent producer companies, and the final 22 percent of respondents come from consulting and other companies.

## Figure 4: The position survey respondents hold in their company, 2014




## Figure 5: Company focus as indicated by respondents, 2014



## Survey questionnaire

The survey was designed to capture the opinions of managers and executives about the level of investment barriers in jurisdictions with which their companies were familiar. Respondents were asked to indicate how each of the 15 policy factors below influenced company decisions to invest in various jurisdictions.

1. Uncertainty concerning the administration, interpretation, or enforcement of existing regulations;
2. Uncertainty concerning environmental regulations (stability of regulations, consistency and timeliness of regulatory process);
3. Regulatory duplication and inconsistencies (includes federal/provincial, federal/state, inter-departmental overlap, etc.);
4. Legal system (legal processes that are fair, transparent, non-corrupt, timely, efficiently administered, etc.)
5. Taxation regime (includes personal, corporate, payroll, capital, and other taxes, and complexity of tax compliance);
6. Uncertainty concerning disputed land claims;
7. Uncertainty concerning what areas will be protected as wilderness, parks, or archeological sites, etc.;
8. Infrastructure (includes access to roads, power availability, etc.);
9. Socioeconomic agreements/community development conditions (includes local purchasing or processing requirements, or supplying social infrastructure such as schools or hospitals, etc.);
10. Trade barriers (tariff and non-tariff barriers, restrictions on profit repatriation, currency restrictions, etc.);
11. Political stability;
12. Labor regulations/employment agreements and labor militancy/work disruptions;
13. Quality of the geological database (includes quality and scale of maps, ease of access to information, etc.);
14. Level of security (includes physical security due to the threat of attack by terrorists, criminals, guerrilla groups, etc.);
15. Availability of labor/skills.

Respondents were asked to score only jurisdictions with which they were familiar and only on those policy factors with which they were familiar. The 15 policy questions were unchanged from the 2013 survey. However, two questions that had been included—on the level of corruption (or honesty) and on growing (or lessening) uncertainty in mining policy and implementation—were dropped in 2013 in response to complaints from previous years' respondents that the survey had become overly long. Further, the two dropped questions were considered redundant, as they overlapped heavily with other questions. For each of the 15 factors, respondents were asked to select one of the following five responses that best described each jurisdiction with which they were familiar:

1. Encourages exploration investment
2. Not a deterrent to exploration investment
3. Is a mild deterrent to exploration investment
4. Is a strong deterrent to exploration investment
5. Would not pursue exploration investment in this region due to this factor

The survey also included questions about the respondents and the type of company they represented, regulatory "horror stories," examples of "exemplary policy," mineral potential assuming current regulation and land use restrictions, mineral potential assuming a "best practices" regulatory environment, the weighting of mineral versus policy factors in investment decisions, and investment spending.

# Summary Indexes

## Investment Attractiveness Index

The Investment Attractiveness Index (figure 1and table 1) is a composite index that combines both the Policy Perception Index and results from the Best Practices Mineral Potential Index. While it is useful to measure the attractiveness of a jurisdiction based on policy factors such as onerous regulations, taxation levels, the quality of infrastructure, and the other policy related questions respondents answered, the Policy Perception Index alone does not recognize the fact that investment decisions are often sizably based on the pure mineral potential of a jurisdiction. Indeed, as discussed below, respondents consistently indicate that roughly only 40 percent of their investment decision is determined by policy factors. To get a true sense of which global jurisdictions are attracting investment, mineral potential must also be considered.

This year, as in other years, the index was weighted 40 percent by policy and 60 percent by mineral potential. These ratios are determined from a survey question that asks respondents to rate the relative importance of each factor. In most years, the split is almost exactly 60 percent mineral and 40 percent policy. This year, the answer was 60.24 mineral potential and 39.76 percent policy. We have maintained the precise 60/40 ratio in calculating this index to allow comparability with other years.

The Policy Perception Index (PPI) (figure 2 and table 2) provides the data for the policy perception of each jurisdiction (see below for an explanation about how the index is calculated), while the rankings from the Best Practices Mineral Index (figure 3 and table 3), based on the percentage of responses for "Encourages Investment" and a half-weighting of the responses for "Not a Deterrent to Investment," is used to provide data on the mineral potential. Table 1 details the relative trends observed over the last five years for the performance of each jurisdiction on the Investment Attractiveness Index.

A limitation of this index is that it may not provide an accurate measure of the investment attractiveness of a jurisdiction at extremes, or where the 60/40 weighting is unlikely to be stable. 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. To address this potential limitation, an alternate measure of the overall attractiveness that considers both mineral potential and policy perceptions is provided through the Current Practices Mineral Potential Index.

## Room for improvement

Figure 6 captures one of the most revealing measures in this study. It subtracts each jurisdiction's score for mineral potential under "best practices" from its mineral potential under "current" regulations. A goal of this measurement is to help identify which jurisdictions could benefit greatly by reforming their mining related policies. A high score on this measure indicates that a jurisdiction's current polices are acting as a deterrent to the area's mineral potential. In order to attract investment and the economic prosperity associated with resource development, jurisdictions with high scores on this measure should consider reforming their policies.

To understand this figure's measurement, consider Papua New Guinea, the jurisdiction with the most room for improvement in 2014. When asked about Papua New Guinea's mineral potential under "current" regulations, miners gave it a score of 22. Under a "best practices" regulatory regime, where managers can focus on pure mineral potential rather than policy-related problems, Papua New Guinea's score was 70. Thus, Papua New Guinea's score in the "Room for Improvement" category is 48. (Numbers may not add up due to rounding.) The greater the score in figure 6, the greater the gap between "current" and "best practices" mineral potential, and the greater the "room for improvement."

## Policy Perception Index (PPI): An assessment of the attractiveness of 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 Perception Index, or PPI (see figure 2 and table 2), provides a comprehensive assessment of the attractiveness of mining policies in a jurisdiction and can serve as a report card to governments on how attractive their policies are from the point of view of an exploration manager. In previous survey years, we have referred to this index as the Policy Potential Index. However, we feel that Policy Perception Index more accurately reflects its nature. Only the title has changed; the calculation of the index remains consistent between survey years thus enabling the results to be compared.

The Policy Perception Index is a composite index that captures the opinions of managers and executives on the effects of policies in jurisdictions with which they are familiar. All survey policy questions (i.e., uncertainty concerning the administration, interpretation, and enforcement of existing regulations; environmental regulations; regulatory duplication

## Figure 6: Room for Improvement

and inconsistencies; legal system; taxation; uncertainty concerning disputed land claims; protected areas; infrastructure; socioeconomic agreements; political stability; labor issues; geological database; and security) are included in its calculation.

The PPI is based on ranks and is calculated so that the maximum scores are 100. Each jurisdiction is ranked in each policy area based on the percentage of respondents who judge that the policy factor in question "encourages investment." The jurisdiction that receives the highest percentage of "encourages investment" in any policy area is ranked first in that policy area; the jurisdiction that receives the lowest percentage of this response is ranked last. The ranking of each jurisdiction across all policy areas is averaged and normalized to 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.

## Best Practices Mineral Potential Index

Figure 3 shows the mineral potential of jurisdictions, assuming their policies are based on "best practices" (i.e., world class regulatory environment, highly competitive taxation, no political risk or uncertainty, and a fully stable mining regime). In other words, this figure represents, in a sense, a jurisdiction's "pure" mineral potential, since it assumes a "best practices" policy regime.

The "Best Practices Mineral Potential" index ranks the jurisdictions based on which region's geology "encourages exploration investment" or is "not a deterrent to investment." Since the "Encourages" response expresses a much more positive attitude to investment than "Not a Deterrent," in calculating these indexes, we give "Not a Deterrent" half the weight of "Encourages." For example, the "Best Practices Mineral Potential" for Alaska was calculated by adding the percent of respondents who rated Alaska's mineral potential as "Encourages Investment" (77 percent) with the 16 percent that responded "Not a Deterrent to Investment," which was half weighted at 8 percent. Thus, for 2014, Alaska has a score of 85, taking into account rounding. Table 3 provides more precise information and the recent historical record.

## Current Practices Mineral Potential Index

The Current Practices Mineral Potential index (see figure 7 and table 4), is based on respondents' answers to a question about whether or not a jurisdiction's mineral potential under the current policy environment (i.e., regulations, land use restrictions, taxation, political risk, and uncertainty) encourages or discourages exploration.

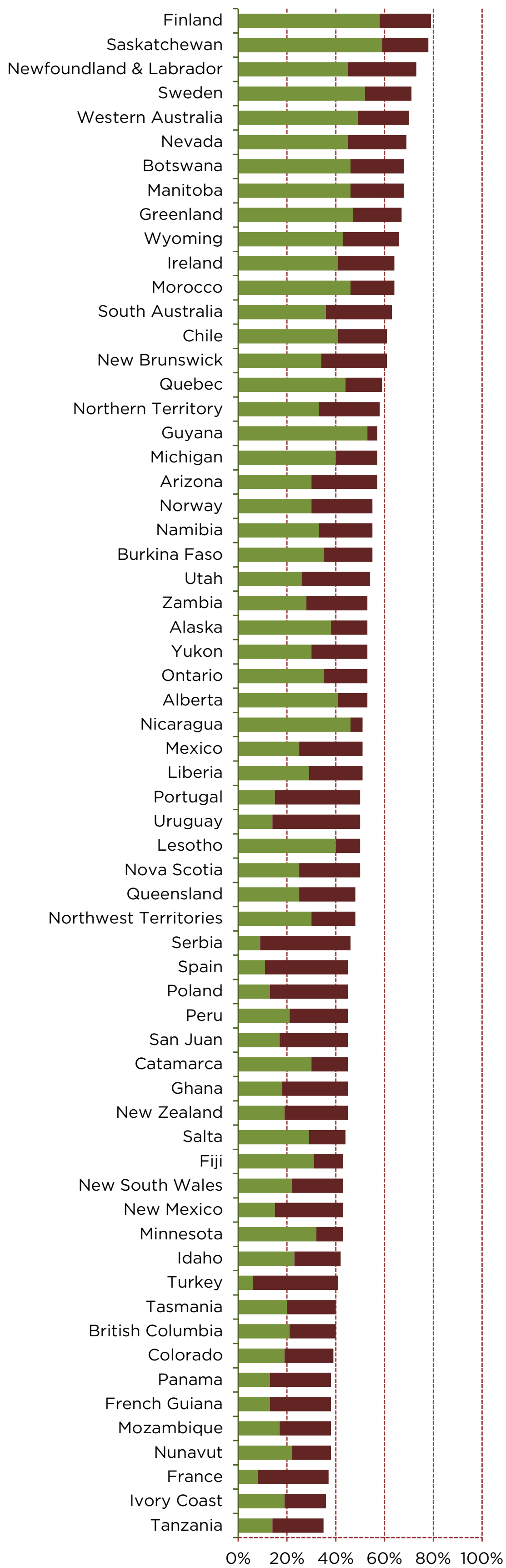
To obtain an accurate view of the attractiveness of a jurisdiction under the current policy environment, we combine the responses to "Encourages Investment" and "Not a Deterrent to Investment." Again, since the "Encourages" response expresses a much more positive attitude to investment than "Not a Deterrent," in calculating these indexes, we give "Not a Deterrent" half the weight of "Encourages." For example, the "Current Practices Mineral Potential" for British Columbia was calculated by adding the percent of respondents who rated BC's mineral potential as "Encourages Investment" (21 percent) with the 37 percent that responded "Not a Deterrent to Investment," which was half weighted at 19 percent. Thus, for 2014, British Columbia has a score of 40, taking into account rounding.

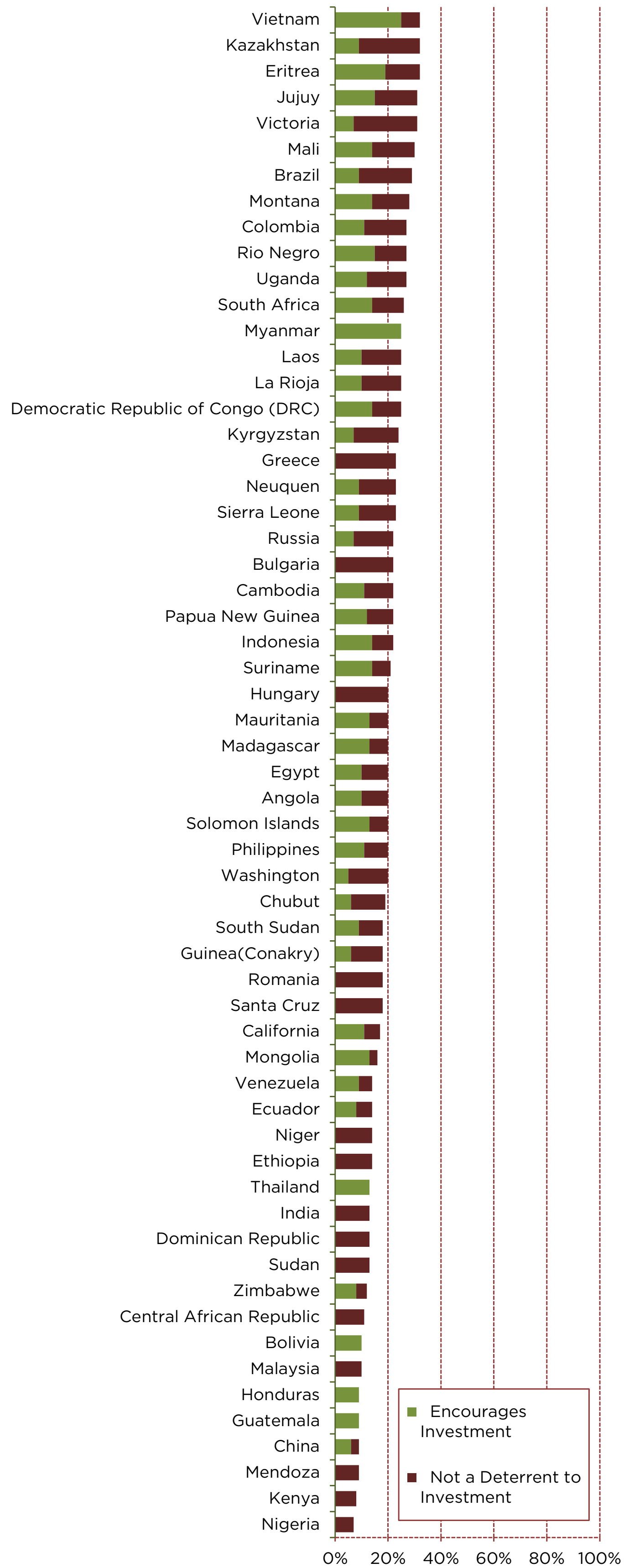
## A caveat

This survey captures both the general and specific knowledge of respondents. A respondent may give an otherwise high-scoring jurisdiction a low mark because of his or her individual experience with a problem. We do not believe this detracts from the value of the survey. In fact, we have made a particular point of highlighting such differing views in the survey comments and the "What miners are saying" quotes.

Surveys can also produce anomalies. For example, in this survey Finland and Nova Scotia received higher scores for existing policies than for best practices. It is also important to note that the different segments of the mining industry (exploration and development companies, say) face different challenges. Yet many of the challenges the different segments face are similar. This survey is intended to capture the overall view.

## Figure 7: Current Mineral Potential Index



## Table 4: Current Mineral Potential Index

| | | Score | | | | | Rank | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 2014 | 2013 | 2012/ 2013 | 2011/ 2012 | 2010/ 2011 | 2014 | 2013 | 2012/ 2013 | 2011/ 2012 | 2010/ 2011 |
| Canada | Alberta | 0.53 | 0.64 | 0.56 | 0.60 | 0.53 | 25/122 | 9/112 | 24/96 | 18/93 | 32 /79 |
| | British Columbia | 0.40 | 0.54 | 0.51 | 0.50 | 0.43 | 55/122 | 25/112 | 34/96 | 35/93 | 42 /79 |
| | Manitoba | 0.68 | 0.64 | 0.52 | 0.64 | 0.61 | 7/122 | 10/112 | 33/96 | 11/93 | 17 /79 |
| | New Brunswick | 0.61 | 0.58 | 0.62 | 0.54 | 0.46 | 14/122 | 20/112 | 12/96 | 27/93 | 38 /79 |
| | Newfoundland & Labrador | 0.73 | 0.71 | 0.61 | 0.66 | 0.57 | 3/122 | 2/112 | 14/96 | 8/93 | 25 /79 |
| | Northwest Territories | 0.48 | 0.51 | 0.58 | 0.44 | 0.35 | 38/122 | 30/112 | 18/96 | 46/93 | 59 /79 |
| | Nova Scotia | 0.50 | 0.51 | 0.50 | 0.41 | 0.38 | 33/122 | 31/112 | 37/96 | 51/93 | 51 /79 |
| | Nunavut | 0.38 | 0.56 | 0.55 | 0.51 | 0.38 | 57/122 | 23/112 | 28/96 | 30/93 | 50 /79 |
| | Ontario | 0.53 | 0.54 | 0.59 | 0.56 | 0.60 | 29/122 | 26/112 | 17/96 | 23/93 | 19 /79 |
| | Quebec | 0.59 | 0.49 | 0.55 | 0.65 | 0.76 | 16/122 | 32/112 | 26/96 | 9/93 | 2 /79 |
| | Saskatchewan | 0.78 | 0.70 | 0.72 | 0.69 | 0.75 | 2/122 | 4/112 | 5/96 | 4/93 | 3 /79 |
| | Yukon | 0.53 | 0.64 | 0.71 | 0.69 | 0.66 | 26/122 | 7/112 | 7/96 | 3/93 | 11 /79 |
| United States | Alaska | 0.53 | 0.63 | 0.72 | 0.68 | 0.67 | 28/122 | 11/112 | 6/96 | 6/93 | 9/ 79 |
| | Arizona | 0.57 | 0.58 | 0.60 | 0.51 | 0.54 | 20/122 | 19/112 | 15/96 | 31/93 | 31 /79 |
| | California | 0.17 | 0.32 | 0.33 | 0.21 | 0.20 | 103/122 | 67/112 | 64/96 | 88/93 | 72 /79 |
| | Colorado | 0.39 | 0.38 | 0.33 | 0.26 | 0.26 | 56/122 | 53/112 | 63/96 | 77/93 | 68 /79 |
| | Idaho | 0.42 | 0.53 | 0.52 | 0.36 | 0.48 | 52/122 | 28/112 | 32/96 | 59/93 | 34 /79 |
| | Michigan | 0.57 | 0.55 | 0.43 | 0.43 | 0.36 | 18/122 | 24/112 | 45/96 | 48/93 | 57 /79 |
| | Minnesota | 0.43 | 0.44 | 0.43 | 0.43 | 0.31 | 49/122 | 43/112 | 44/96 | 49/93 | 63 /79 |
| | Montana | 0.28 | 0.44 | 0.41 | 0.31 | 0.32 | 71/122 | 44/112 | 50/96 | 66/93 | 62 /79 |
| | Nevada | 0.69 | 0.71 | 0.72 | 0.67 | 0.73 | 6/122 | 3/112 | 4/96 | 7/93 | 4 /79 |
| | New Mexico | 0.43 | 0.41 | 0.46 | 0.55 | 0.43 | 48/122 | 48/112 | 41/96 | 24/93 | 43 /79 |
| | Utah | 0.54 | 0.62 | 0.61 | 0.60 | 0.66 | 24/122 | 13/112 | 13/96 | 15/93 | 13 /79 |
| | Washington | 0.20 | 0.27 | 0.24 | 0.19 | 0.10 | 93/122 | 76/112 | 82/96 | 91/93 | 78 /79 |
| | Wyoming | 0.66 | 0.58 | 0.71 | 0.63 | 0.60 | 10/122 | 22/112 | 8/96 | 12/93 | 20 /79 |
| Australia | New South Wales | 0.43 | 0.47 | 0.42 | 0.46 | 0.39 | 50/122 | 34/112 | 46/96 | 41/93 | 49 /79 |
| | Northern Territory | 0.58 | 0.65 | 0.65 | 0.58 | 0.54 | 17/122 | 6/112 | 10/96 | 22/93 | 30 /79 |
| | Queensland | 0.48 | 0.58 | 0.56 | 0.51 | 0.55 | 37/122 | 18/112 | 25/96 | 32/93 | 28 /79 |
| | South Australia | 0.63 | 0.60 | 0.58 | 0.62 | 0.56 | 13/122 | 16/112 | 20/96 | 14/93 | 27 /79 |
| | Tasmania | 0.40 | 0.40 | 0.34 | 0.37 | 0.42 | 54/122 | 50/112 | 61/96 | 56/93 | 45 /79 |
| | Victoria | 0.31 | 0.42 | 0.39 | 0.25 | 0.35 | 67/122 | 46/112 | 57/96 | 78/93 | 60 /79 |
| | Western Australia | 0.70 | 0.73 | 0.67 | 0.64 | 0.68 | 5/122 | 1/112 | 9/96 | 10/93 | 8 /79 |
| Oceania | Fiji | 0.43 | 0.20 | * | * | * | 51/122 | 94/112 | * | * | * |
| | Indonesia | 0.22 | 0.23 | 0.25 | 0.29 | 0.36 | 84/122 | 88/112 | 81/96 | 73/93 | 58 /79 |
| | Malaysia | 0.10 | 0.37 | * | * | * | 115/122 | 54/112 | * | * | * |
| | New Zealand | 0.45 | 0.44 | 0.54 | 0.30 | 0.47 | 41/122 | 41/112 | 29/96 | 68/93 | 35 /79 |
| | Papua New Guinea | 0.22 | 0.36 | 0.29 | 0.60 | 0.67 | 85/122 | 56/112 | 73/96 | 16/93 | 10 /79 |
| | Philippines | 0.20 | 0.23 | 0.26 | 0.33 | 0.44 | 94/122 | 86/112 | 80/96 | 63/93 | 40 /79 |
| | Solomon Islands | 0.20 | * | * | * | * | 95/122 | * | * | * | * |

## Table 4 continued

| | | Score | | | | | Rank | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 2014 | 2013 | 2012/ 2013 | 2011/ 2012 | 2010/ 2011 | 2014 | 2013 | 2012/ 2013 | 2011/ 2012 | 2010/ 2011 |
| Africa | Angola | 0.20 | 0.10 | * | * | * | 90/122 | 109/112 | * | * | * |
| | Botswana | 0.68 | 0.62 | 0.60 | 0.75 | 0.68 | 8/122 | 14/112 | 16/96 | 1/93 | 7 /79 |
| | Burkina Faso | 0.55 | 0.48 | 0.55 | 0.63 | 0.71 | 23/122 | 33/112 | 27/96 | 13/93 | 6 /79 |
| | Central African Republic | 0.11 | * | * | * | * | 114/122 | * | * | * | * |
| | Democratic Republic of Congo (DRC) | 0.25 | 0.28 | 0.23 | 0.38 | 0.21 | 79/122 | 74/112 | 83/96 | 55/93 | 70 /79 |
| | Egypt | 0.20 | * | * | * | * | 91/122 | * | * | * | * |
| | Eritrea | 0.32 | 0.33 | * | * | * | 65/122 | 60/112 | * | * | * |
| | Ethiopia | 0.14 | 0.46 | * | * | * | 107/122 | 38/112 | * | * | * |
| | Ghana | 0.45 | 0.45 | 0.56 | 0.60 | 0.57 | 42/122 | 40/112 | 23/96 | 17/93 | 24 /79 |
| | Guinea(Conakry) | 0.18 | 0.27 | 0.29 | 0.36 | 0.36 | 99/122 | 77/112 | 74/96 | 58/93 | 56 /79 |
| | Ivory Coast | 0.36 | 0.21 | * | * | * | 62/122 | 91/112 | * | * | * |
| | Kenya | 0.08 | 0.35 | * | * | * | 121/122 | 58/112 | * | * | * |
| | Lesotho*** | 0.50 | * | * | * | * | 34/122 | * | * | * | * |
| | Liberia*** | 0.51 | 0.29 | * | * | * | 30/122 | 72/112 | * | * | * |
| | Madagascar | 0.30 | 0.20 | 0.12 | 0.38 | 0.41 | 69/122 | 95/112 | 90/96 | 52/93 | 46 /79 |
| | Mali | 0.20 | 0.24 | 0.33 | 0.55 | 0.59 | 96/122 | 84/112 | 65/96 | 26/93 | 21 /79 |
| | Mauritania | 0.20 | * | * | * | * | 97/122 | * | * | * | * |
| | Morocco | 0.64 | * | * | * | * | 11/122 | * | * | * | * |
| | Mozambique | 0.38 | 0.25 | * | * | * | 58/122 | 79/112 | * | * | * |
| | Namibia | 0.55 | 0.45 | 0.50 | 0.45 | 0.55 | 21/122 | 39/112 | 35/96 | 44/93 | 29 /79 |
| | Niger | 0.14 | 0.13 | 0.40 | 0.38 | 0.42 | 105/122 | 108/112 | 52/96 | 52/93 | 44 /79 |
| | Nigeria | 0.07 | 0.18 | * | * | * | 122/122 | 97/112 | * | * | * |
| | Sierra Leone | 0.23 | 0.25 | * | * | * | 82/122 | 80/112 | * | * | * |
| | South Africa | 0.26 | 0.37 | 0.28 | 0.33 | 0.28 | 75/122 | 55/112 | 77/96 | 62/93 | 66 /79 |
| | South Sudan | 0.18 | * | * | * | * | 100/122 | * | * | * | * |
| | Sudan*** | 0.13 | * | * | * | * | 110/122 | * | * | * | * |
| | Tanzania | 0.35 | 0.35 | 0.42 | 0.55 | 0.58 | 63/122 | 57/112 | 47/96 | 25/93 | 23 /79 |
| | Uganda | 0.27 | * | * | * | * | 72/122 | * | * | * | * |
| | Zambia | 0.53 | 0.47 | 0.38 | 0.47 | 0.46 | 27/122 | 36/112 | 58/96 | 39 /93 | 37 /79 |
| | Zimbabwe | 0.12 | 0.15 | 0.10 | 0.21 | 0.16 | 113/122 | 103/112 | 92/96 | 87 /93 | 74 /79 |
| Argentina | Argentina | ** | ** | ** | ** | 0.37 | ** | ** | ** | ** | 55 /79 |
| | Catamarca | 0.45 | 0.33 | 0.36 | 0.36 | * | 44/122 | 64/112 | 60/96 | 57 /93 | * |
| | Chubut | 0.19 | 0.18 | 0.20 | 0.25 | * | 98/122 | 98/112 | 85/96 | 78 /93 | * |
| | Jujuy | 0.31 | 0.40 | 0.22 | 0.38 | * | 68/122 | 49/112 | 84/96 | 52 /93 | * |
| | La Rioja | 0.25 | 0.27 | 0.18 | * | * | 76/122 | 78/112 | 87/96 | * | * |
| | Mendoza | 0.09 | 0.13 | 0.30 | 0.25 | * | 117/122 | 107/112 | 70/96 | 78 /93 | * |
| | Neuquen | 0.23 | 0.21 | 0.32 | * | * | 83/122 | 92/112 | 67/96 | * | * |
| | Rio Negro | 0.27 | 0.17 | 0.32 | 0.27 | * | 73/122 | 99/112 | 66/96 | 75 /93 | * |
| | Salta | 0.44 | 0.52 | 0.39 | 0.45 | * | 47/122 | 29/112 | 54/96 | 42 /93 | * |
| | San Juan | 0.45 | 0.30 | 0.39 | 0.48 | * | 40/122 | 71/112 | 55/96 | 37 /93 | * |
| | Santa Cruz | 0.18 | 0.24 | 0.19 | 0.48 | * | 102/122 | 83/112 | 86/96 | 38 /93 | * |

## Table 4 continued

| | | Score | | | | | Rank | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 2014 | 2013 | 2012/ 2013 | 2011/ 2012 | 2010/ 2011 | 2014 | 2013 | 2012/ 2013 | 2011/ 2012 | 2010/ 2011 |
| Latin America and the Caribbean Basin | Bolivia | 0.10 | 0.13 | 0.06 | 0.21 | 0.21 | 116/122 | 106/112 | 96/96 | 89 /93 | 71 /79 |
| | Brazil | 0.29 | 0.31 | 0.44 | 0.54 | 0.60 | 70/122 | 69/112 | 43/96 | 28 /93 | 18 /79 |
| | Chile | 0.61 | 0.66 | 0.64 | 0.69 | 0.77 | 15/122 | 5/112 | 11/96 | 5 /93 | 1 /79 |
| | Colombia | 0.27 | 0.25 | 0.47 | 0.53 | 0.64 | 74/122 | 82/112 | 40/96 | 29 /93 | 16 /79 |
| | Dominican Republic | 0.13 | 0.24 | 0.41 | 0.18 | * | 111/122 | 85/112 | 49/96 | 92 /93 | * |
| | Ecuador | 0.14 | 0.05 | 0.11 | 0.26 | 0.16 | 106/122 | 112/112 | 91/96 | 76 /93 | 74 /79 |
| | French Guiana | 0.38 | 0.33 | 0.32 | * | * | 59/122 | 61/112 | 68/96 | * | * |
| | Guatemala | 0.09 | 0.16 | 0.08 | 0.25 | 0.25 | 118/122 | 102/112 | 94/96 | 78 /93 | 69 /79 |
| | Guyana | 0.57 | 0.33 | 0.58 | 0.44 | * | 19/122 | 62/112 | 19/96 | 45 /93 | * |
| | Honduras | 0.09 | 0.15 | 0.06 | 0.19 | 0.15 | 119/122 | 105/112 | 95/96 | 90 /93 | 76 /79 |
| | Mexico | 0.51 | 0.46 | 0.53 | 0.58 | 0.64 | 31/122 | 37/112 | 30/96 | 21 /93 | 15 /79 |
| | Nicaragua | 0.51 | 0.32 | * | * | * | 32/122 | 66/112 | * | * | * |
| | Panama | 0.38 | 0.43 | 0.45 | 0.22 | 0.40 | 60/122 | 45/112 | 42/96 | 86 /93 | 48 /79 |
| | Peru | 0.45 | 0.44 | 0.49 | 0.42 | 0.59 | 46/122 | 42/112 | 38/96 | 50 /93 | 22 /79 |
| | Suriname | 0.21 | 0.29 | 0.33 | 0.25 | * | 89/122 | 73/112 | 62/96 | 78 /93 | * |
| | Uruguay | 0.50 | 0.23 | * | * | * | 35/122 | 89/112 | * | * | * |
| | Venezuela | 0.14 | 0.08 | 0.10 | 0.11 | 0.10 | 108/122 | 110/112 | 93/96 | 93 /93 | 77 /79 |
| Asia | Cambodia | 0.22 | * | * | * | * | 86/122 | * | * | * | * |
| | China | 0.09 | 0.16 | 0.30 | 0.30 | 0.33 | 120/122 | 101/112 | 72/96 | 69 /93 | 61 /79 |
| | India | 0.13 | 0.33 | 0.28 | 0.25 | 0.31 | 112/122 | 65/112 | 76/96 | 78 /93 | 64 /79 |
| | Kazakhstan | 0.32 | 0.32 | 0.31 | 0.32 | 0.38 | 64/122 | 68/112 | 69/96 | 65 /93 | 51 /79 |
| | Kyrgyzstan | 0.24 | 0.06 | 0.39 | 0.30 | 0.38 | 80/122 | 111/112 | 56/96 | 72 /93 | 51 /79 |
| | Laos | 0.25 | 0.23 | * | 0.30 | * | 77/122 | 87/112 | * | 69 /93 | * |
| | Mongolia | 0.16 | 0.22 | 0.27 | 0.44 | 0.53 | 104/122 | 90/112 | 79/96 | 47 /93 | 33 /79 |
| | Myanmar | 0.25 | 0.19 | * | * | * | 78/122 | 96/112 | * | * | * |
| | Thailand | 0.13 | 0.41 | * | * | * | 109/122 | 47/112 | * | * | * |
| | Vietnam | 0.32 | 0.28 | 0.27 | 0.30 | 0.43 | 66/122 | 75/112 | 78/96 | 69 /93 | 41 /79 |
| Europe | Bulgaria | 0.22 | 0.30 | 0.36 | 0.23 | 0.38 | 87/122 | 70/112 | 59/96 | 84 /93 | 51 /79 |
| | Finland | 0.79 | 0.63 | 0.74 | 0.59 | 0.66 | 1/122 | 12/112 | 2/96 | 19 /93 | 12 /79 |
| | France | 0.37 | 0.34 | * | * | * | 61/122 | 59/112 | * | * | * |
| | Greenland | 0.67 | 0.61 | 0.76 | 0.72 | 0.73 | 9/122 | 15/112 | 1/96 | 2 /93 | 5 /79 |
| | Greece | 0.23 | 0.25 | 0.13 | * | * | 81/122 | 81/112 | 88/96 | * | * |
| | Hungary*** | 0.20 | * | * | * | * | 92/122 | * | * | * | * |
| | Ireland | 0.64 | 0.58 | 0.52 | 0.49 | 0.45 | 12/122 | 21/112 | 31/96 | 36 /93 | 39 /79 |
| | Norway | 0.55 | 0.59 | 0.57 | 0.32 | 0.47 | 22/122 | 17/112 | 21/96 | 64 /93 | 36 /79 |
| | Poland | 0.45 | 0.39 | 0.29 | 0.45 | * | 45/122 | 51/112 | 75/96 | 42 /93 | * |
| | Portugal | 0.50 | 0.39 | * | * | * | 36/122 | 52/112 | * | * | * |
| | Romania | 0.18 | 0.15 | 0.30 | 0.28 | 0.20 | 101/122 | 104/112 | 71/96 | 74 /93 | * |
| | Russia | 0.22 | 0.17 | 0.40 | 0.30 | 0.30 | 88/122 | 100/112 | 53/96 | 67 /93 | 65 /79 |
| | Serbia | 0.46 | 0.33 | 0.50 | * | * | 39/122 | 63/112 | 36/96 | * | * |
| | Spain | 0.45 | 0.47 | 0.48 | 0.34 | 0.41 | 43/122 | 35/112 | 39/96 | 60 /93 | 47 /79 |
| | Sweden | 0.71 | 0.64 | 0.73 | 0.59 | 0.65 | 4/122 | 8/112 | 3/96 | 20 /93 | 14/79 |
| | Turkey | 0.41 | 0.53 | 0.57 | 0.50 | 0.57 | 53/122 | 27/112 | 22/96 | 33 /93 | 26/79 |

Notes: *Not Available; **Argentina is no longer reported as a single jurisdiction (we now report separately on the sub-national jurisdictions); ***Between 5 and 9 responses.

# Global Survey Rankings

## The top

The top jurisdiction in the world for investment based on the Investment Attractiveness Index is Finland with an overall score of 83.8 (see figure 1). Finland moves up three spots this year to take over as the most attractive jurisdiction in the world for mining investment. Finland displaces Western Australia, which dropped to 5th overall. Saskatchewan moved up 5 spots to rank as the second most attractive jurisdiction in the world for investment. Rounding out the top 10 are Nevada, Manitoba, Quebec, Wyoming, Newfoundland & Labrador, Yukon, and Alaska in that order.

No jurisdiction scored first in all categories on the Policy Perception Index. Ireland had the highest PPI score of 96.0. It replaced Sweden in the top spot this year, while Finland and Alberta tied for 2nd with a PPI score of 94.7. Along with Ireland, Finland, and Alberta, the top 10 ranked jurisdictions are Sweden, New Brunswick, Saskatchewan, Newfoundland & Labrador, Wyoming, Manitoba, and Western Australia.

All but Saskatchewan and Manitoba were in the top 10 last year. Saskatchewan rose in the rankings from 12th in 2013 to rank 6th, while Manitoba rose to 9th in the rankings from 26th in 2013. Displaced from the top 10 were the Nevada, which fell in the rankings from 8th in 2013 to 15th in 2014, and Norway, which fell from 10th to 18th.

Finland, Alberta, Sweden, and Wyoming have ranked consistently in the top 10 over the last five surveys. Table 2 illustrates in greater detail the shifts in the relative ranking of the policy perceptions of the jurisdictions surveyed.

## The bottom

When considering both policy and mineral potential in the Investment Attractiveness Index, Malaysia ranks as the least attractive jurisdiction in the world for investment. This is a significant drop for Malaysia which ranked 70th (of 112) in 2013. Also in the bottom 10 (beginning with the worst) are Hungary, Kenya, Honduras, Solomon Islands, Egypt, Guatemala, Bulgaria, Nigeria and Sudan. Kenya and Bulgaria experienced large drops from 79th and 57th (of 112 overall) in 2013, respectively.

The 10 least attractive jurisdictions for investment based on the Policy Perception Index rankings are (starting with the worst) Honduras, Malaysia, Philippines, South Sudan, Zimbabwe, Sudan, Nigeria, Central African Republic, Ethiopia, and Venezuela. Venezuela, Philippines, and Zimbabwe were all in the bottom 10 jurisdictions last year, while South Sudan, Sudan, and Central African Republic were new additions to this year's survey. The four countries that dropped into the bottom 10 this year all experienced significant declines in their rankings. Nigeria dropped from 75th in 2013 to 117th, while the other African jurisdiction to fall into the bottom ten, Ethiopia, moved down from 78th to a ranking of 114th in 2014. Honduras fell from 101st to a 2014 ranking of 122nd. Malaysia dropped from 69th in 2013 to 120th in 2014.

Kyrgyzstan, Argentina—La Roja, Angola, Argentina—Mendoza, Madagascar, and Ivory Coast improved their scores sufficiently to move out of the bottom 10 after ranking in this group in 2013. The most significant improvement was Ivory Coast, which moved from 105th in 2013 to a ranking of 61st in 2014.

# Global Results

## Canada

Canada's median Policy Perception Index score improved significantly in 2014, by almost 10 points, and now five Canadian jurisdictions—Alberta (2nd), New Brunswick (5th), Saskatchewan (6th) Newfoundland & Labrador (7th), and Manitoba (9th)—were ranked in the top 10. When considering how Canadian jurisdictions rank on the Investment Attractiveness Index, Canada continues to perform well. On this index as well, five Canadian jurisdictions—Saskatchewan (2nd), Manitoba (4th), Quebec (6th), Newfoundland & Labrador (8th), and Yukon (9th)—are in the top ten.

Amongst Canadian jurisdictions Manitoba improved its score and rank the most this year, enabling it to move up from 26th spot in 2013 to 9th in this year's survey and returning it to the top 10 for the first time since 2010/2011. This improvement reflects higher scores on the PPI as more respondents rate the following policy factors as "encourages investment": taxation regime (an increase of 21 percentage points),[3] trade barriers (+12 points), and infrastructure (+11 points).

After improving its score in 2013, British Columbia's PPI score dropped noticeably in 2014. BC dropped in the rankings by 10 positions, coming in at an overall ranking of 42nd and having the worst performance of any Canadian jurisdiction on policy alone. The two policy areas significantly hampering BC are uncertainty concerning disputed land claims and uncertainty over which areas will be protected. The sum of negative responses for these two policy factors was 73 percent and 77 percent of respondents respectively. These scores likely reflect the ongoing tensions in the province over land title issues.[4]

Yukon has dropped from 8th in 2012/2013, to 19th in 2013, to 26th in 2014, reflecting a drop in its PPI score and indicating a decline in its relative attractiveness. The lower PPI score reflects a decrease in the percentage of respondents who perceived that the following policy factors "encourage investment": legal system (-12 points), regulatory duplication (-8 points), and the administration of regulations (-8 points).

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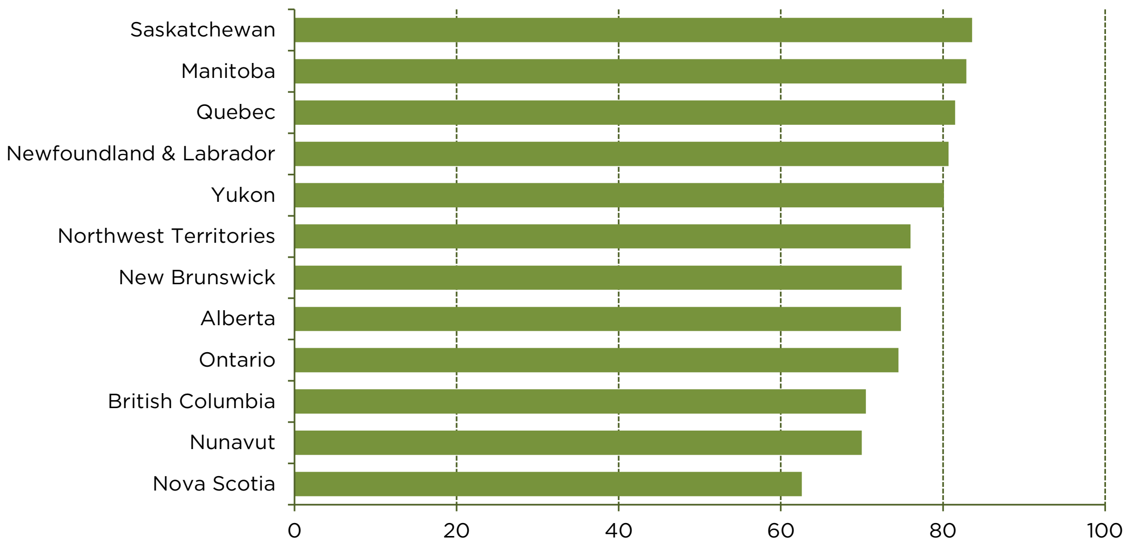
3 The numbers in brackets show the difference between the total percentage of respondents that rate a particular policy factor as "Encourages investment" from 2013 to 2014 (i.e., the change in percentage points).

4 See Ravina Bains (2014). *A Real Game Changer: An Analysis of the Supreme Court of Canada Tsilhqot'in Nation v. British Columbia Decision*. Fraser Research Bulletin. Available at www.fraserinstitute.org.

Quebec, which was ranked first overall from 2007/2008 to 2009/2010 but tumbled down the list since then, has stopped its decline. In fact, it has regained ground and 2014 saw a relatively large increase for Quebec from a rank of 21st in 2013 to 12th place, most notably due to higher ratings for political stability (+16), uncertainty concerning the administration, interpretation, and enforcement of existing regulations (+12 points), and security (+9 points).

## Figure 8: Investment Attractiveness Index—Canada



## Comments: Canada

The comments in the following section have been edited for length, grammar and spelling, to retain confidentiality, and to clarify meanings.

### Alberta

*Withdrawal of Grande Cache area from coal exploration and creation of wilderness [was] too early.*

*The government regulator was concerned that a coal mine had a higher concentration of bears and ungulates than a nearby national park. The regulators investigated whether or not the mine was "baiting" ungulates by hydroseeding the areas undergoing reclamation.*

### British Columbia

*The lack of land claim settlements in the Smithers through to Terrace area and elsewhere in the province make it a little difficult to consider this province as a 1st priority for exploration.*

*Conflicting conclusions between federal and provincial rulings on the environmental impact of the New Prosperity project held by Taseko.*

*The abrupt restriction on exploration for uranium and thorium, the expropriation of Windy Craggy, unilateral classification of Flathead Valley as off-limits, recent Supreme Court decision seems to have First Nations intending to restrict exploration access.*

*Moratorium on uranium.*

*Lack of access to mining lands due to native noncooperation.*

*Prosperity rejection combined with others (Windy Craggy, Kemiss North) and problems with pipeline make BC very unfavorable.*

*Recent situation with First Nations blocking development after both federal and provincial regulators had approved project. Who actually has jurisdiction over the land and mineral endowment? Clearly not the elected governments, but the "special" interest groups.*

*Conflict between federal and provincial environmental assessment authorities for New Prosperity.*

*Over a year to get a drill permit.*

*NI 43-101 reporting: it shouldn't take 13-15 years to get permits. If I had known this in the beginning I wouldn't have spent the last 11 years begging to get permitted, and the protocol is wrong: way too long, too hard and too expensive… The province should allow anyone to mine—just apply the regulations and put the rules in place now. NI 43-101 is an expensive process. If the province had said: here are the rules and regulations; follow them, I would have been mining 10 years ago. I would have created 300-500 jobs by now, plus spin-off.*

*Where to start? The Flathead closure; moratorium on uranium exploration and development; provincial EA system that doesn't mesh with the federal system, resulting in unapproved projects and uncertainty; lack of political will to maintain two-zone land use system; eradicating the mines ministry in favour of C&E by untrained and unskilled FLNRO personnel... I could go on, but you get the picture.*

*Aboriginal controls on exploration companies which in some cases have led to property closures without cause… The tripling of fees (permit costs, assessment costs, etc.) before any production has been accomplished is having a detrimental effect on junior companies; many are losing their properties after having worked on them for several years.*

*Extra statutory rights accorded to First Nations to effectively veto projects.*

*BC internet map staking of mineral claims is excellent and should be adopted by other jurisdictions.*

*The flow-through financing program is very helpful for companies operating in Canada.*

*Although British Columbia has a lengthy and detailed permitting process, it does have government employees who are very receptive to helping mining exploration companies complete the required forms and maps for the processing of applications.*

## Manitoba

*A general story of exploration companies that have not been able to get drilling permissions because government doesn't have the capacity to address First Nations consultation challenges.*

*The issue of the handling of consultations with First Nations is causing major delays and uncertainties.*

*The decision to include native bands in approving even preliminary, noninvasive exploration work, such as geologic mapping, sampling, prospecting, soil surveys, etc., has led to some companies being held up all summer season waiting for such permits.*

*The Manitoba Mines Department incentive programs for exploration eg., MEAP (Mineral Exploration Assistance Program) and MPAP (Manitoba Prospectors Assist Program) and double assessment credits for property work in 2014.*

*Manitoba is the only provincial government that wants a seat at the table during direct First Nation impact and benefit negotiations. The province has a strong desire to support mining investment—power, infrastructure, and far north development.*

*Strong database, well organized mineral title system, efficient land use and permitting.*

### New Brunswick

*Recent proactive reach out to promote and show its mineral potential.*

*Exploration assistance grants, active and essential geological survey department, government appears to want mineral development.*

### Newfoundland & Labrador

*Changing permit requirements and delays obtaining access-to-explore have caused delays and headaches in the past. Exploration activities are often considered as "high impact industrial activity" and are relegated to a lower priority than recreational activities.*

*Demand to refine all Voise's Bay material in province instead of optimal development.*

*Around about 1992 this province set out to reinvigorate its mining industry. It did every single thing [necessary] to make the jurisdiction attractive. From prospectors' grants, to online map staking, to geological database accessibility, to taxation, to advertising, to government invitation, a comprehensive plan was put into place. This, coupled with a similar effort to attract the petroleum industry, has completely transformed the province from a have-not province* *to a wealthy, dynamic jurisdiction. This is the best example ever of the great benefit and change that can come from embracing resource development and developing a long-term, stable business framework in which to operate.*

### Northwest Territories

*Unsettled land claims and an unruly regulatory regime.*

*Land use and water use permitting is a nightmare.*

*Lack of settled land claims in very prospective areas that are currently considered traditional territories makes it difficult (and more time consuming and costly) to move projects forward. The overall project environmental review process is too long and if proponents are able to move their projects forward on their timeline, these timelines do not always mesh with the regulators' timelines. Projects are too easily referred to an environmental assessment, which causes undue and unnecessary delays. Lack of infrastructure is a key stumbling block.*

*NWT has embarked on a Mineral Development Strategy to bring investment back into the north.*

### Nova Scotia

*Waiting 3 years for approval to acquire land.*

### Nunavut

*Compulsory labour hire of indigenous population.*

*Even with a settled land claim, with the federal government still having overall jurisdiction (or at least a final approval step), projects can, and sometimes do, take too long.*

*Complete lack of infrastructure, and lack of roads where needed.*

*Once the Nunavut Water Board deems a project Type A (i.e., a mine) based on the volume of water used, there is no mechanism for a mine to return to a Type B project following closure and reclamation. This results in reclaimed mines that use no water and produce no waste continuing with the detailed public review process during licence renewal. A detailed public review costs the mining company and taxpayers of Canada hundreds of thousands of dollars.*

*The Nunavut Water Board and the Nunavut Impact Review Board attempt to coordinate reviews of a project in order to reduce timelines and costs required.*

## Ontario

*New Mining Act amendments re: First Nations consultation. Striving for clarity has resulted in complete incomprehensibility, impractical regulation, and misinterpretation of rights on all sides.*

*Revision of the Mining Act to include near-veto powers against exploration of First Nation traditional land use areas contrary to treaty assurances.*

*Provincial regulations different from federal regulations. Government entities not addressing First Nations consultation issues.*

*Lack of transparency, extreme conflict over land use with First Nations groups, high costs of permitting, and new poorly organized regulations.*

*Poor decisions on infrastructure and lack of provincial First Nations agreements related to developments in the Ring of Fire.*

*Abandoning the mining industry and forcing it to deal directly with native groups, and providing support to native groups for negotiations, but not to junior mining companies.*

## Quebec

*Moratorium on all uranium exploration permits. Abusive implementation of protected zones without proper evaluation of mineral potential.*

*Uncertainty associated with mining law changes in 2012-13 [has led to] reduced interest from capital markets.*

*Changing tax and mineral holding policies changed high priority exploration environment to a more problematic situation.*

*The uranium moratorium was a complete shock, totally arbitrary, unnecessary, and economically devastating for a number of juniors.*

*Quebec adopting their "Plan Nord" policy to encourage investment and mineral exploration in northern Quebec.*

*Plan Nord: essentially a "build it and they will come" approach. Outstanding vision for the future and recognition of the importance of mining and its role in infrastructure development. Also, tax incentives for exploration.*

### Saskatchewan

*In Saskatchewan, "Duty to Consult" is the responsibility of government, not the company. Something like the Ring of Fire fiasco in Ontario would not happen in Saskatchewan.*

*Good geoscientific support and permitting procedures which allow for timely planning and efficient support from provincial administration in addressing land access and Amerindian issues.*

*Saskatchewan is open to uranium exploration .*

### Yukon

*A continued lack of coordination of permitting between the environmental assessment board and the water board is causing an increase in permitting time for any projects of at least an additional year.*

*The court decision relating to the Kaska (Ross River Band Council) regarding mineral tenure has caused confusion and uncertainty and has dissuaded juniors from investing.*

*YESAB process provides tight control on timelines for moving through environmental licensing process and on insuring relevancy of issues that can be raised as part of the process.*

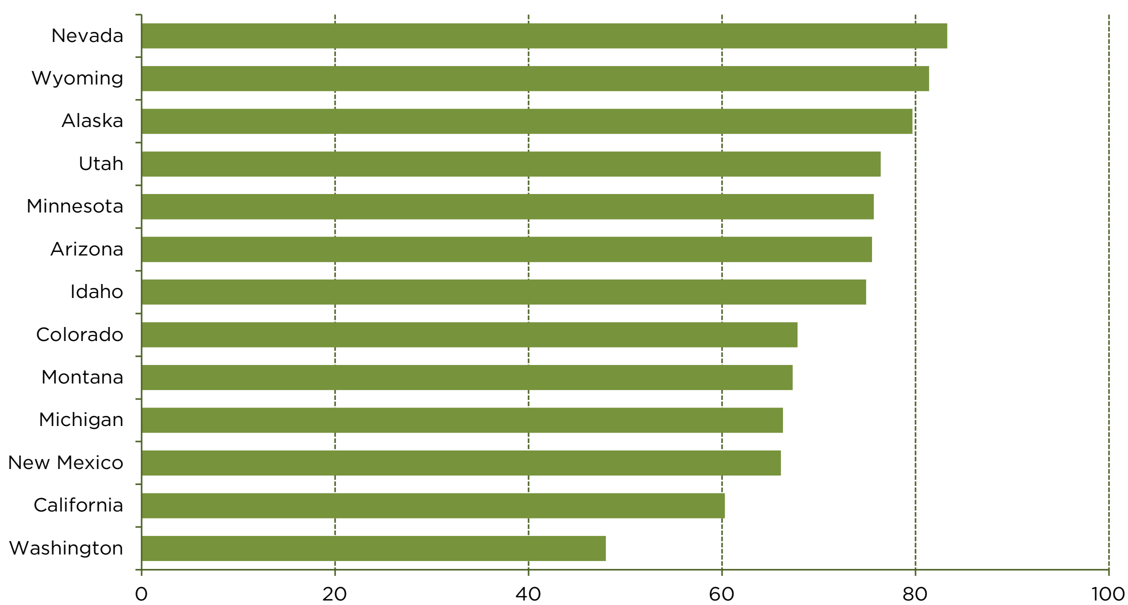
## The United States

The United States's median investment attractiveness score continued to improve this year, as the jurisdiction overall became the second most attractive region in the world for investment, only slightly behind Canada. The median Policy Perception Index score for the United States decreased in 2014, likely reflecting the relatively large drops in Michigan, Montana, Nevada, and Washington.

In fact, California, Colorado, and Utah were the only US jurisdictions that saw an increase in their PPI scores; the remaining states experienced at least a slight decrease in their scores. Colorado saw an improvement in perceptions for its trade barriers (+19 points), socioeconomic agreements (+12 points), and labour regulations (+10 points).

Michigan and Nevada had the largest drop in their scores and rankings amongst US states in 2014. Michigan's ranking declined from 17th (of 112) last year to 34th (of 122) in 2014, and its survey ratings declined most significantly in availability of labour (-21 points), legal system (-10 points), and security (-9 points). Nevada dropped out of the top 10 to 15th in 2014 and saw worsening policy performance over concerns about the administration, interpretation, and enforcement of existing regulations (-11 points), legal system (-10 points), and its geological database (-9 points).

### Figure 9: Investment Attractiveness Index—United States



## Comments: United States

The comments in the following section have been edited for length, grammar and spelling, to retain confidentiality, and to clarify meanings.

### Alaska

*The federal EPA pre-emptively prohibited the Pebble Mine development project before the company was allowed to submit a plan under the established, clearly defined process of the National Environmental Policy Act.*

*The EPA's efforts to stop the Pebble Mine project before the commencement of permitting has had a chilling impact on investment in Alaska.*

*One-stop mine permitting greatly reduced regulatory duplication, confusion, and cost; it increases transparency and decreases time in the regulatory pipeline.*

*Alaska opened up more land for mineral leases and increased the number of permits that were available.*

*Coordinated permitting process between state and federal agencies helps minimize duplication, shortens the permitting process time, and applies a consistent and effective effort.*

### Arizona

*Objections to in-situ copper mining at Florence.*

*2+ years to receive drilling permit on US BLM mining claim.*

*It was positive to have a joint industry-government conference to reduce the time required to process permit applications and implementation of regulations.*

### California

*California has a generally oppressive regulatory regime in all areas (air, water, land use) and all regions of the state.*

## Colorado

*Extreme discouragement of uranium in-situ mine development.*

*I think the expansion of the Cripple Creek & Victor Gold Mine in the past couple of years (operated by Anglo Gold Ashanti), which extended the life of the mine by about seven years, was well received by Colorado's Division of Reclamation, Mining & Safety, and allowed permit approval to move ahead efficiently.*

## Idaho

*EPA shutdown of the Coeur D'Alene district by punitive regulations instead of proactive solutions.*

*The Federal EPA decided to require the operator of a suction dredge to obtain a permit under the National Pollutant Discharge Elimination System (NPDES), which they are not issuing.*

## Michigan

*The EPA overrode State and local decision-making on a road bypass through bushland; in the end that decision resulted in greater environmental impact, not less.*

*Governor Snyder's efforts to stimulate job creation and support the development of the Eagle Ni-Cu mine in Marquette County were well received.*

## Minnesota

*Lengthy permitting delays.*

*Superior National Forest's decision to conduct a forest-wide environmental assessment covering mineral exploration process took ~6 years to complete.*

## Montana

*Cyanide ban on new open pit ore.*

*The cyanide ban on new properties is extremely dissuasive to mineral exploration in Montana, particularly gold exploration.*

## Nevada

*Permitting requirements involve long timelines and cost.*

*In general, there are short time periods for permitting, regardless of commodity or mine size.*

*Strong support from State level government for mineral exploration and mine development.*

*Expedited land use approvals.*

## New Mexico

*Slow processing of permitting, high costs of water rights, inconsistent oversight and enforcement of reclamation.*

## Utah

*Simple permit application process in Utah.*

*State agencies, to the extent they are able, are proactive and supportive.*

## Washington

*Washington State Dept. of Environmental Protection required the US Forest Service to haul rock for rip rap in the remediation of an abandoned mine from more than 200 miles away rather than being able to use local native rock. This would have bankrupted a junior company.*

## Wyoming

*The Wyoming Industrial Revenue Bond Program is very helpful for companies looking to grow operations in Wyoming.*

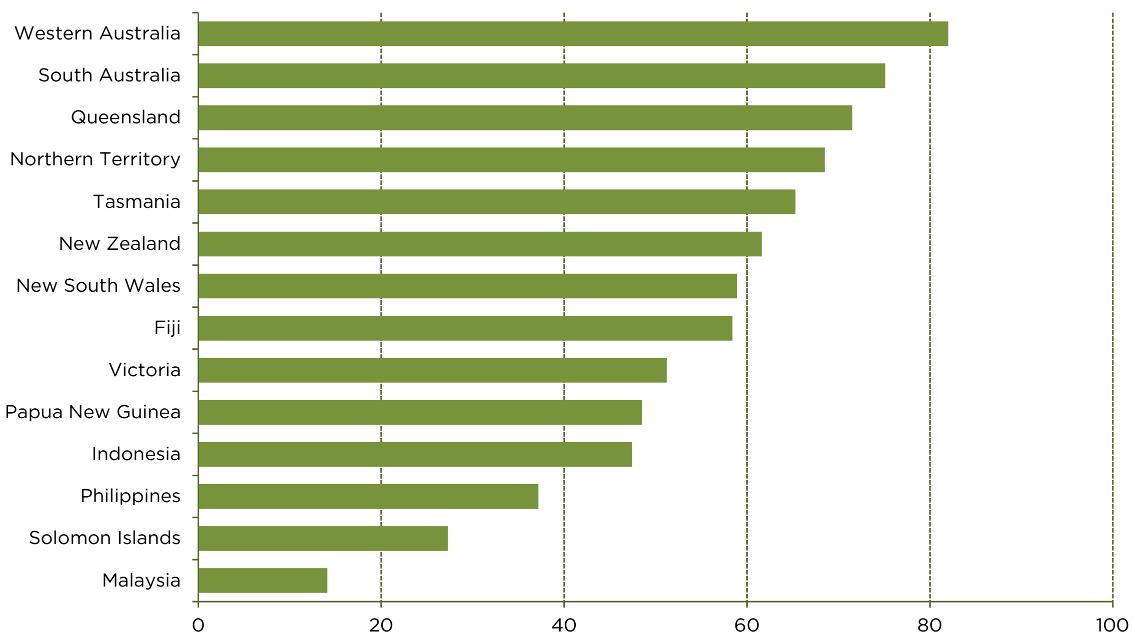
*Generally strong support at all levels of State government and a willingness to finance for all commodities and all mine sizes.*

## Australia and Oceania

Australia continues to be a relatively attractive place to invest in mining, despite a decline in its regional median investment attractiveness score. Only South Australia and Tasmania saw improvements in their investment attractiveness scores—and those improvements were only minimal. Two states, Northern Territory and Victoria, deteriorated by over five points, and only one jurisdiction (Western Australia) ranked in the top 10 most attractive jurisdictions in the world for investment.

The median Policy Perception Index score for Australia declined for the first time in the last five years. Western Australia was again the highest ranked jurisdiction in Australia and, as mentioned, was the only jurisdiction in Oceania in the top 10. It ranked 10th, down from 6th in 2013. All but one Australian jurisdiction (New South Wales) saw their PPI scores decline in 2014, with three jurisdictions—Northern Territory, Queensland, and Victoria—facing declines of over eight points. The Northern Territory saw a large reduction in its score and rank, moving down to 28th (of 122 jurisdictions) from 13th (of 112) as more respondents rated their legal system (-27 points), increased uncertainty concerning disputed land claims (-15 points), and political stability (-14 points) as discouraging to investment. Queensland's ratings also declined noticeably, with its ranking dropping from 27th in 2013 to 33rd in 2014, reflecting increased concerns over political stability (-21 points), availability of labor and skills (-12 points), and socioeconomic agreements/community development conditions (-11 points). New South Wales was the only Australian jurisdiction to improve its score this year, although the improvement was minimal.

### Figure 10: Investment Attractiveness Index—Australia and Oceania



In the rest of Oceania, the score and ranking for New Zealand dropped significantly this year after its PPI score had improved for six previous consecutive years. The country's ranking dropped to 35th in 2014 from 14th in 2013 with its ratings declining most between survey years for regulatory duplications and inconsistencies (-15 points), the administration, interpretation, or enforcement of existing regulations (-14 points), and uncertainty concerning environmental regulations (-13 points). Malaysia experienced a large drop in its score and ranking, moving down over 32 points in the PPI to become the third least attractive jurisdiction in the world based solely on policy factors. This drop comes after experiencing reductions of over 10 percentage points on almost all policy factors. Fiji is the only jurisdiction to improve in Oceania outside of Australia, gaining 22 points on the PPI to move up from a ranking of 73rd in 2013 to 53rd in 2014. Solomon Islands was added to the survey questionnaire this year and ranked 104th.

## Comments: Australia and Oceania

The comments in the following section have been edited for length, grammar and spelling, to retain confidentiality, and to clarify meanings.

### New South Wales

> *Anti-coal agenda slowing development approvals down.*
>
> *NSW premier removed mining rights from duly authorized investor due to failure of the government to manage title.*
>
> *Regional jurisdictions are unable to administer environmental policy/rule in a consistent way. Duplication of state and federal environmental requirements doubles the time and expense.*
>
> *The extreme level of bureaucracy following the recent ministerial indiscretions has put all issues under the microscope. One example is the "precautionary principle" now enshrined in environmental legislation, effectively requiring an environmental investigation on EVERYTHING, even if it doesn't exist within a project boundary.*
>
> *Extensive, expensive, unnecessary delay due to Land & Environment Court proceedings.*
>
> *The allocation process for coal exploration land in NSW has been frozen for some years. The ongoing unresponsiveness will lead to a slump in activity and early closure of mines in coming years.*

## Queensland

*Too much bureaucracy and changing of royalty rates.*

*The declaration of a quasi-national park on Cape York stopped a bauxite development. This declaration was done by the current Conservative government and went far further than the previous interference with this project by the previous socialist government. A very anti-mining, anti-business decision made with no consultation.*

*Environmental regulations are too complicated and environmental officers are unprofessional and ignorant of what is material with regard to "harm." Environmental rehabilitation and financial assurance requirements are driven by fear rather than realistic reintegration or recycling back into the local landscape.*

*Ban on uranium mining.*

*Land Access Legislation, its inception, the nature in which it was introduced, the failure it presents for industry and exploration investment, its workability and suitability to industry (i.e., impossibly cumbersome, costly and difficult), and the fact that the current administration is not interested in hearing any criticism of it, nor will it listen to the urgent need to change it.*

*Land access is extremely problematic under new laws—costly and very time consuming.*

*The government is demanding unrealistic environmental bond for mine closure rehabilitation which makes the business not viable.*

*Attitudes within government are slowly changing. The biggest problem Queensland has had in the past is the application of any policy; it has had a big focus on black-and-white compliance without an understanding of how exploration companies actually work and operate. This thankfully is changing. At one point it was impossible to get any approval without having to jump through a lot of hoops just to satisfy the decision maker.*

*The policy of having compulsory reductions in tenement size every year to fit the government model of exploration, discovery, resource drillout, and application for mining lease all within the 5-year time frame of an exploration licence. Exploration is not that neat and cooperative.*

*Government Collaborative Drilling Grants refund 50% of the cost of drill programs that are innovative or research based. There are federal government* *tax rebates for genuine R&D. The Geological Survey provides accurate detailed maps and reports.*

*Administrative processes have improved significantly generally since the change of government, but there is still a way to go.*

*Recent changes currently being discussed around the modernizing of Queensland's resource tenure framework.*

*With the change of administration in 2012, the Department of Natural Resources & Mines is now more customer focused and interested in trying to work collaboratively with industry in order to help ensure that exploration and development of natural resources progresses. Unfortunately, however, there are still many "sacred cows" that are apparently off limits such as meaningful review and change of the Land Access Legislation.*

*Government is trying to encourage resource development.*

*The Resource Cabinet Committee was established to engage with industry on expanding the industry in a responsible way.*

*The Queensland government's policy call for the exploration industry to nominate potential projects that the Geological Survey should work on is a refreshing new approach that ensures the GSQ is working on projects of direct relevance.*

### Northern Territory

*Co-operative government funding for drilling conceptual targets.*

*Plus exploration incentive scheme for drilling and geophysics. [Two entries—or just one?]*

### Western Australia

*Government forced an iron ore company to grant use of its haulage railway to a competitor company.*

*Ban on uranium mining.*

*Over the last year or so, I have noticed that all approval types within WA for exploration have blown out. In particular, trying to get certainty for expenditure exemptions has been time consuming and painful. If they find an error with your application they do not contact you. It took almost 12 months to get a simple expenditure approval completed successfully.*

*Harassment by another arm of government over property transfer values for stamp duty purposes despite financial and legal rigours of prospectus and other regulatory approvals.*

*Co-funded drilling program aimed at supporting grassroot mineral exploration.*

### South Australia

*Requirement for a heritage survey for an exploration project that resulted in the expenditure of $40,000 in legal fees just to negotiate, and which was challenged by another aboriginal group, so had to go through the entire process again. Total cost approx. $100,000—and no foot set on the ground.*

*Aboriginal Heritage Act is completely unworkable and creates uncertainty at all stages of development.*

*Native title disputes impossible to resolve.*

*Geological Survey provides accurate detailed maps and reports. Actively encourages exploration. Allows development of uranium mines.*

### Victoria

*Confusion between regulatory departments on jurisdictional matters. Inability for a decision to be made about bringing ore in from an outside source to be processed at a processing facility.*

### Tasmania

*Constant desire for more national/timber reserves whilst economy languishes.*

*Recent classification of button grass as "fragile" and requiring all legacy areas of disturbance to be rehabilitated to the department's satisfaction.*

### Fiji

*Government engaged Japanese experts to conduct geophysical survey (gravity, magnetics, radiometry) of major islands and prospective areas. Data freely available.*

### Indonesia

*Recent political requirements for product to be refined within Indonesia and the status of historical Contracts of Work which now appear to be invalid.*

*In-country processing and divestment of 51% of regulations. Indonesia will be unable to develop any of their copper deposits while these two regulations are in place. Regardless the size of the deposit, the economics do not work.*

*Non export of mineral concentrates—secondary processing legislation.*

*Expropriation of mineral titles.*

*Introduction of a punitive export tax for concentrate shipments in addition to the royalties/taxes agreed in Contract of Work agreements.*

*Corruption at local levels requires payments to get things done.*

### New Zealand

*Inaccessibility of the northern portion of the Coromandel Peninsula and the extreme difficulty of working out access agreements with the Maori.*

*Banning of gold mining in favour of tourism when both could co-exist.*

### Papua New Guinea

*Politically unstable and anti-mining. Mining and land rights decisions were recently transferred to the community, making operations impossible.*

*Keeps on changing the rules.*

*The political regime is cumbersome and not as democratic as one may hope for.*

### Philippines

*New tax rules, lack of permitting, no-go zones.*

*Foreign ownership restrictions.*

*Guerrilla kidnapping and demands for security payments from Mindanao to the point of <100% of profit.*

*55% income tax, or 11% royalty, whichever is higher.*

### Solomon Islands

*Lack of control over informal mining activity on existing tenements.*

*Followed with horror the experience of a multinational company that won an international tender and was awarded an exploration licence by national government, only to be overpegged by another company with local landowner agreement, and then lose in court.*

## Africa

Eight African jurisdictions were added to the 2014 survey, allowing us to rank Central African Republic (109$^{th}$ of 122), Egypt (117$^{th}$), Lesotho (107$^{th}$), Mauritania (87$^{th}$), Morocco (40$^{th}$), South Sudan (110$^{th}$), Sudan (113$^{th}$), and Uganda (92$^{nd}$) for the first time.[5] Despite these additions, the median score for Africa on policy factors (PPI) increased noticeably this year, and remained relatively steady when considering the overall investment attractiveness of the region.

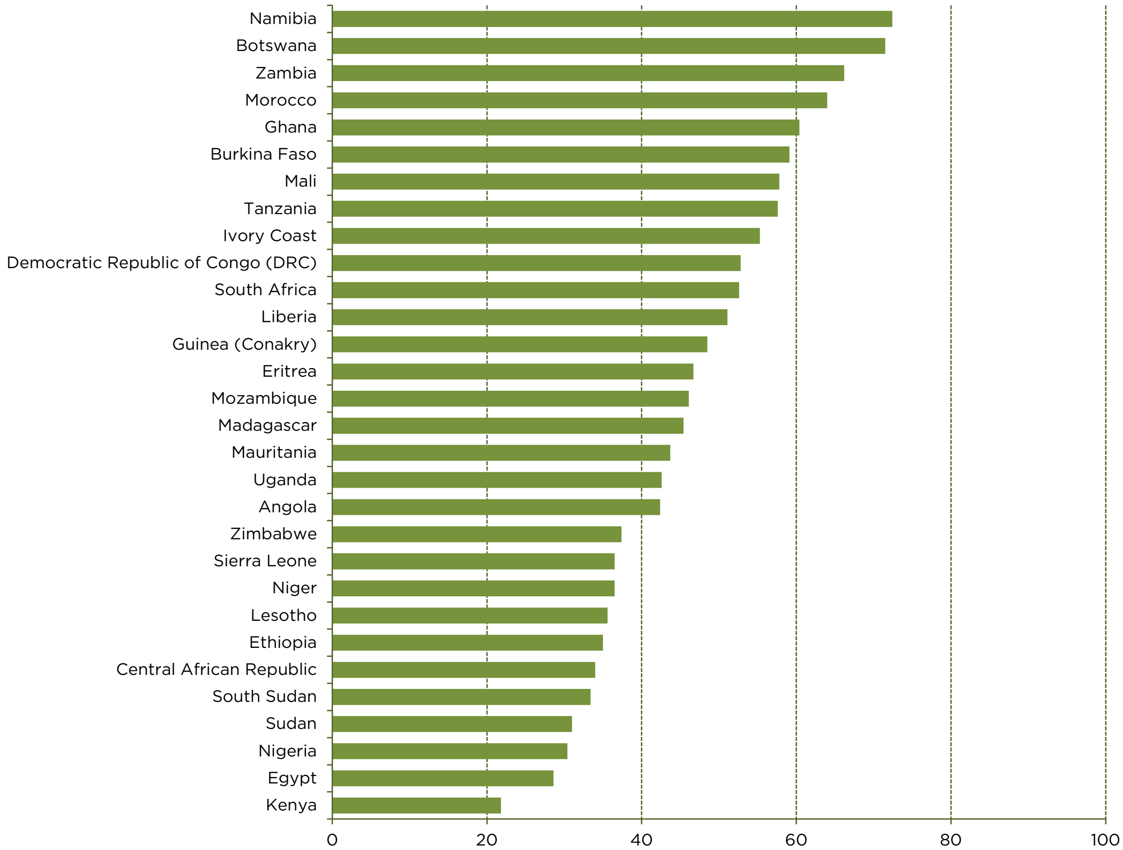
Six African countries—South Sudan (119$^{th}$), Zimbabwe (118$^{th}$), Nigeria (117$^{th}$), Sudan (116$^{th}$), Central African Republic (115$^{th}$), and Ethiopia (114$^{th}$)—ranked in the bottom 10 of the worldwide survey rankings this year. As noted, South Sudan, Sudan, and Central African Republic were new additions to this year's survey. Zimbabwe was amongst the bottom 10 in 2012/2013 and 2013. The greatest deterioration came from Nigeria, which dropped from 75$^{th}$ of 112 in 2013 to 116$^{th}$ of 122 this year. Contributing to its decline was increased uncertainty concerning environmental regulations (-25 points), trade barriers (-9 points), and regulatory duplication and the legal system (each -8 points). Ethiopia experienced a similar decline to Nigeria in its ranking.

Botswana is again the highest ranked jurisdiction in Africa on policy factors, ranking 13$^{th}$ of 122 in 2014 and up from 25$^{th}$ of 112 in 2013. Botswana's higher score on the Policy Perception Index reflects an improvement on the ratings for nearly all policy factors, most notably for the availability of labour and skills (+15 points), (less) uncertainty concerning the administration, interpretation, or enforcement of existing regulations (+14 points), and security (+11 points). Namibia also showed improvement on its policy factors, moving up to a ranking of 20$^{th}$ in 2014 from 34$^{th}$ in 2013. (In a consideration of pure mineral potential on the Investment Attractiveness Index, Namibia becomes Africa's most attractive jurisdiction, ranking as the 25$^{th}$ most attractive jurisdiction in the survey.)

Three African jurisdictions—Angola, Ivory Coast, and Sierra Leone—each saw their PPI scores improve by over 20 points. In fact, Angola and the Ivory Coast were able to move out of the bottom 10 this year. Ivory Coast saw the largest improvement in Africa in both its PPI score and rankings; it moved up to 61st$^{nd}$ in 2014 from 105$^{th}$ in 2013, in part due to improvements in ratings for labour regulations and labour militancy (+17 points), socioeconomic agreements/community development conditions (+ 17 points), and trade barriers and infrastructure (both +13 points). Also enjoying an improved ranking is Angola, which moved from 108$^{th}$ in 2013 to 78$^{th}$ this year, reflecting better ratings for trade barriers (+17 points) and the availability of labour and skills (+10 points). Sierra Leone's PPI score and ranking also improved in 2014 to 80$^{th}$ (of 122) after ranking 96$^{th}$ (of 112) in 2013, the jurisdiction's first year in the survey. Sierra Leone's better ranking reflects

5 Numbers in brackets reflect the Investment Attentiveness scores in this paragraph.

## Figure 11: Investment Attractiveness Index—Africa




improved perceptions of its taxation regime and labour regulations (both +14 points) and the availability of labour and skills (+10 points).

## Comments: Africa

The comments in the following section have been edited for length, grammar and spelling, to retain confidentiality, and to clarify meanings.

### Angola

*The permitting issue and politics are totally corrupt.*

### Botswana

*The ability of the Department of Mines to process new and renewal applications for prospecting licenses is extremely slow and lacks transparency.*

*Reasonably quick decision making and access to decision makers—no corruption at all.*

### Burkina Faso

*Taking leases off companies after exploration success and backdating radical tax increases.*

*Favourable tax regime.*

### Central African Republic

*Abusive entry fees for mining companies.*

### Democratic Republic of the Congo

*Arbitrary review of mining agreements which were arbitrarily amended in favor of Gecamines, the federal mining company. So companies had properties expropriated.*

*Restrictions on exports produced at the spur of the moment leave the mineral producer at risk of losing revenue.*

### Eritrea

*The decision to introduce mandatory government participation of 40% for any mining project … virtually eliminated the opportunity for intra-industry joint ventures and saw the immediate exit of the few majors prepared to handle the already significant political risk.*

*Eritrea is free from corruption and has a clearly set-out legal framework which is followed to the letter.*

### Ethiopia

*Inconsistencies between mining law and mining regulations; introduction of very high royalty rates.*

### Ghana

*Changes to VAT stopped exploration cold; profit tax and poor tax management has delayed returns to shareholders.*

### Guinea (Conakry)

*Permit of Company "A" was taken away from it without merit and was sold to Company "B" by the government.*

### Ivory Coast

*Strong efforts to re-launch mining exploration investment since end of crises.*

### Kenya

*Lack of transparency in mineral title process and terror threats.*

### Madagascar

*Corruption and favoritism in granting or holding mineral rights, conflicts with artisanal mining groups.*

### Mali

*Corruption in the mining department because of poor pay creates situation where data is sold on the side.*

### Namibia

*The country had intended to institute a number of very damaging taxes. The most damaging were not enacted, but total taxation has increased and become more complex.*

*Open-door policy at all levels of government in most ministries is complemented by probably one of the best and most cooperative geological surveys in the world.*

*Free economy style. All areas encouraged to be prospected for minerals.*

### Niger

*Delays and corruption in granting exploration permits.*

### South Africa

*Highly political unionized workforce that perpetually demands more and more in return for less and less productivity.*

*Inadequate power generation and inadequate labour laws regarding mineral sector strikes.*

### South Sudan

*As a new country, South Sudan is taking a long time to enact mining laws and regulations, and has had a protracted moratorium on licencing.*

### Tanzania

*Tanzania is adopting a Mining Act similar to that in Quebec in order to encourage investment.*

### Zambia

*Copper concentrate and drill sample export restrictions.*

*Excellent all-round support from the Ministry of Mines.*

### Zimbabwe

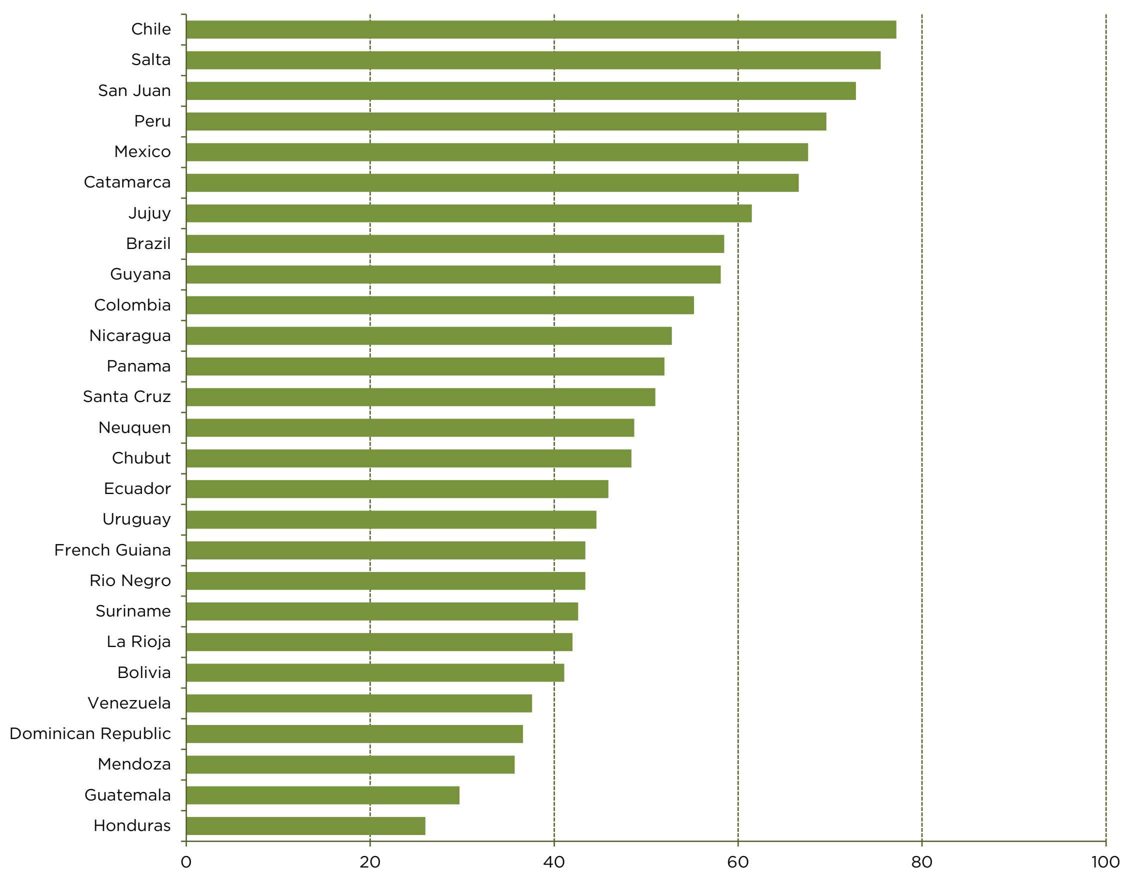
*Impromptu changes in policy over ownership of mineral rights.*

*Taking leases off companies after exploration success.*

## Argentina, Latin America, and the Caribbean Basin

The median investment attractiveness of Argentina improved by over 15 points this year, a marked increase over 2013. The median Policy Perception Index score for Argentina also improved significantly in 2014, gaining back a lot of the ground lost in the 2013 survey year. All of the Argentinian provinces increased their PPI scores this year. As well, all jurisdictions saw their investment attractiveness scores increase. The rankings for Catamarca moved up the most of any of the Argentinian provinces, from 98th (of 112) in 2013 to 51st (of 122) in 2014 as a result of improved ratings for uncertainty concerning environmental regulations (+31 points), regulatory duplication (+23 points), and the geological database and political stability (+20 points). Salta also increased its PPI score, making it the most attractive jurisdiction in Argentina, as respondents' ratings for it increased for uncertainty concerning environmental regulations (+25 points), legal system (+21 points), and regulatory duplication (+23 points). Salta is ranked as the 17th most attractive jurisdiction in the survey for investment and on policy factors.

### Figure 12: Investment Attractiveness Index—Argentina, Latin America, and the Caribbean Basin



Rio Negro and La Rioja also both experienced ranking increases of over 30 spots. Driving Rio Negro's improvement was positive increases for security (+21 points), taxation regime, and the administration, interpretation, or enforcement of existing regulations (+20 points each). La Rioja's improvement is based on better performance regarding its taxation regime (+17 points), legal system (+15 points), and geological database (+14 points). In general, the province of San Juan also remains relatively attractive globally with an investment attractiveness ranking of 24th and a PPI ranking of 29th.

The median investment attractiveness score increased slightly this year, placing Latin America and the Caribbean Basin in a similar overall position as Africa and Asia. Chile (13th), Peru (30th) and Mexico (33rd) are the most attractive jurisdictions in the region for investment. The average PPI score for the rest of Latin America and the Caribbean Basin was almost unchanged from 2013.

Chile remains the top-ranked jurisdiction in the region, ranking 22nd (of 122) in 2014. A small increase in its PPI score led to the increase in its PPI ranking from 30th (of 112) in 2013. Honduras is the lowest ranked jurisdiction in the region—and the entire survey—after falling from 101st in 2013. Honduras did not see any improvement in the 15 policy measures. In fact, it deteriorated in the areas of uncertainty concerning the administration, interpretation, or enforcement of existing regulations (-17 points), regulatory duplication (-12 points), and uncertainty concerning environmental regulations and uncertainty over protected areas (-6 points each). French Guiana fell the most between survey years, from 35th (of 112) in 2013 to 84th (of 122) in 2014, due in part to declines in political stability (-36 points), security (-33 points), and taxation regime (-23 points).

Uruguay improved its score and ranking the most for the region, climbing to 46th (of 122) from 82nd (of 112), reflecting better ratings for security (+47 points), political stability (+46 points) and trade barriers (+35 points).

## Comments on Argentina, Latin America, and the Caribbean Basin

The comments in the following section have been edited for length, grammar and spelling, to retain confidentiality, and to clarify meanings.

### Chubut

> *Chubut has an anti-open pit and anti-cyanide law in place. These laws are very detrimental to any bulk mineable resources and to gold heap leach gold mining. This law would also appear to be in conflict with the federal government's aims on mining.*

### Mendoza

*Forbidding use of cyanide for gold extraction.*

### Rio Negro

*Rio Negro rescinded its policies against use of cyanide and of open pit mining.*

### Salta

*Transparency in all aspects of mining regulations.*

### Santa Cruz

*Santa Cruz introduced an area of special mining interest but this really boiled down to making mining pretty much illegal outside of the zone of interest. The effect of this was to put several, already granted mining concessions into a state of legal limbo. The intention of the law was to curtail environmental impact of metals mining, but it was poorly written and affects mining generally.*

*In 2013, the province introduced a new taxation on "reserves" in the ground, contrary to the national mining laws and contrary to the tax stability agreements granted to mining companies.*

### Bolivia

*Mine and operations taken by informal miners or comunarios; no action from state/government.*

### Brazil

*Brazil has devolved excess power to the state agencies and permitting delays are quite common.*

*Lengthy delays with the Ministerio Publico (public ministry) entering into the licensing and auditing of both mines department and environmental department.*

### Chile

*Chile has no sub-national governments of significance to the mining industry, so permit applications are "one-stop shops."*

*Environmental process is risk-based, using existing legislation. Very good framework.*

## Colombia

*So much red tape, lack of permitting, last place in the world to do exploration.*

*Colombian Ministry of the Environment commonly takes 5 to 9 months to issue water diversion and drilling permits for exploration drilling and will NOT allow companies to drill water wells for point sources.*

## Dominican Republic

*Lack of issuance of new licences.*

## Ecuador

*Mining mandate to reformulate policies that ensure real growth in mining. But then it has taken a long time for implementation and project development.*

## Guatemala

*Government has proposed a 3-year moratorium for exploration licenses. The moratorium has not been approved yet by congress but there are voices asking for 10-year moratorium.*

## Guyana

*Evolving policy for mineral title administration, rapid and unpredictable expansion of Amerindian reserve areas, some corruption and favoritism in granting of mineral rights.*

*Good and readily accessible geoscientific data, access to administration.*

## Honduras

*The new mining law was issued in April of 2013 but article 109 stated that metallic mining concession petitions could only be filed until the regulations of such a law were issued. The regulations were issued until September of 2013 causing some tensions between mining companies that wanted to file over specific areas.*

*The new mining law, although increasing the taxes, at least makes the rules very clear for the mining industry.*

## Mexico

*Recent introduction of the new tax and royalty regime was done with poor and conflicting communication with the mining industry.*

*Mexican government (through Geological Survey) sells a mineral concession at auction and then 12 months later Mexican government (through Environment Department) includes the area of the concession in a newly declared biosphere.*

*Very strong effort by the Mexican Geological Survey to put all geological and historical mining information on the internet.*

## Nicaragua

*Continuous encouragement by Nicaraguan government (ProNicaragua & Mines Department) to attract foreign companies to explore and develop mines in Nicaragua.*

## Panama

*Slow and bureaucratic environmental and CSR issues, alienation of prospective areas due to Amerindian concerns.*

*Excellent infrastructure, qualified and committed personnel.*

## Peru

*Local relations in remote areas from bad to worse based on NGOs organizing opposition groups.*

*The past 10 years have witnessed continuous ratcheting up of taxation via royalties, windfall tax, etc.  They passed a community consultation law a few years back, generating significant expectations among civil society and communities, but the method of its implementation remains unclear.*

*Trying to streamline permit process, building infrastructure available to citizens and industry.*

## Venezuela

*Expropriation of mining projects without compensation.*

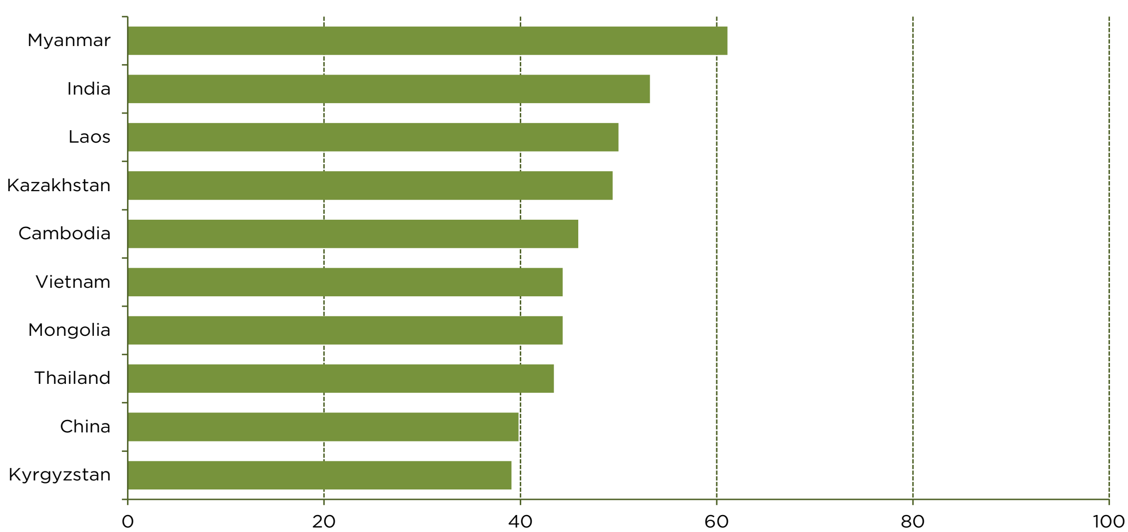
## Asia

Asia's median investment attractiveness declined slightly this year. Myanmar (46th) and India (60th) are the top two jurisdictions in the region based on their investment attractiveness. Myanmar, Laos, Kyrgyzstan, and India all improved their relative investment attractiveness. However, the region as a whole is now the lowest ranked on this measure.

The lower median score for investment attractiveness appears to be driven more by a depreciation of the region's mineral potential rather than policy factors, as the median Policy Perception Index score for the region increased by over 10 points, putting the region ahead of both Latin America and the Caribbean, and Oceania, when considering regional medians. One new Asian jurisdiction was added to the survey in 2014: Cambodia (ranked 62nd of 122).Thailand remained the highest ranked jurisdiction in the region. Kyrgyzstan improved significantly this year, moving up 19 spots to 93rd in 2014 from the very bottom in 2013. This change reflects an improvement in the availability of labour and skills, the taxation regime, uncertainty concerning protected areas, and security (all +13 points).

Vietnam saw the largest decline in PPI and ranking in the region, falling from 60th of 112 in 2013 to 97th of 122 in 2014. Respondent ratings dropped most sharply for the availability of labour and skills (-12 points), uncertainty concerning environmental regulations (-11 points), and legal system, socioeconomic agreements, and quality of the geological database (-6 points each). China's score also fell for the third consecutive year and its ranking slipped from 88th of 112 in 2013 to 103rd of 122 in 2014, reflecting worsening perceptions by respondents for availability of labour and skills (-7 points), political stability (-7 points), and the quality of infrastructure (-4 points).

### Figure 13: Investment Attractiveness Index—Asia



## Comments on Asia

The comments in the following section have been edited for length, grammar and spelling, to retain confidentiality, and to clarify meanings.

### China

*Communist Party officials interfering with exploration work and access to operating mines.*

### India

*Government bans private ownership and development of gold mines. General bribery and corruption hinders processing of applications and permits. Difficult to obtain freehold land titles.*

### Kyrgyzstan

*Rescinding mining/exploration licences/permits—continually attempting to expropriate existing operation.*

### Laos

*Government corruption and inaction. Current moratorium on granting exploration or mining leases only applies to those refusing to pay bribes.*

### Mongolia

*Uncertainty regarding taxation of foreign operators.*

*Political processes and lack of regulatory structure have led to companies being in limbo regarding future projects.*

### Myanmar

*The government is a carried partner with 50%. Then 35% income tax plus royalties. Fees—never-ending fees. So, the investor pays 100% to get 50%, less income taxes, royalties, and fees. Then there are the investment restrictions, which are still in place by the USA and Canada. It's a mess. Hordes of people are going there, expecting easy pickings, but the Myanmar folk are waiting for them. It's not an easy place to do mining. Not especially prospective.*

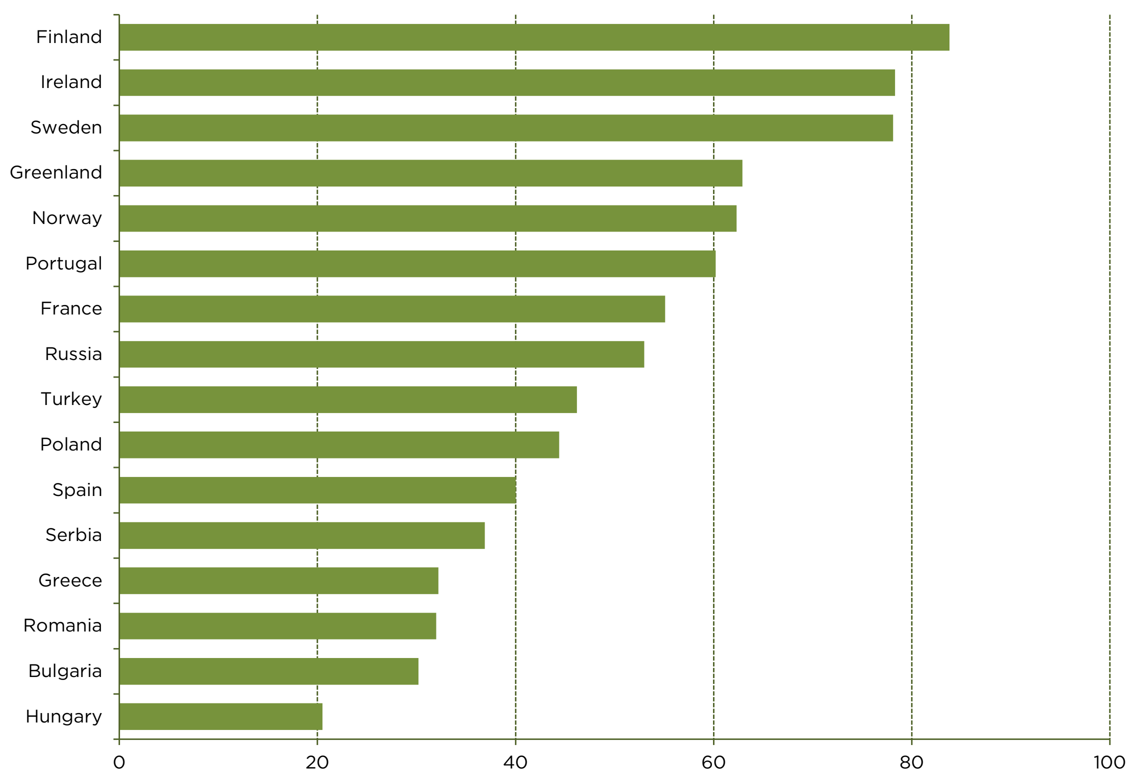
## Europe

Europe's median investment attractiveness score experienced a noteworthy decline of almost 10 points this year, although Europe does have some of the most attractive jurisdictions in the world for investment, including three in the global top 15: Finland (1st), Ireland (11th), and Sweden (12th).

The drop in investment attractiveness appears to be driven by a significant and sharp decline in the region's policy. Europe's median Policy Perception Index score dropped 19 points and now Argentina as a region ranks higher in terms of regional median PPI. Again though, it needs to be noted that three of the region's jurisdictions rank in the top 10 globally.

Ireland (ranked 4th in 2013) replaced Sweden as the top-ranked jurisdiction, both in the region and in the global survey results. Finland ranked 2nd overall in 2014, while Sweden decreased its score and ranking to 4th (of 122) in 2014. Norway's PPI score decreased this year, and it moved out of the top 10 to 18th in 2014, largely as a result of poor performance on its taxation regime (-18 points), trade barriers (-11 points), and the availability of labour and skills (-9 points).

### Figure 14: Investment Attractiveness Index—Europe



Greenland, which ranked 14th in 2012/2013, continued its decline, falling to 23rd in 2013, and again to 32nd in 2014, with a lower PPI score reflective of worsened perceptions for its taxation regime (-23 points), geological database (-18 points), and trade barriers (-18 points). Bulgaria saw the greatest drop for the region in both its score and ranking, falling from 49th in 2013 to 98th in 2014 with lower ratings from respondents for trade barriers (-27 points), labour regulations and labour militancy (-19 points), and socioeconomic agreements (-15 points). Spain and Serbia also both dropped in the rankings by over 40 spots.

Greece had the greatest increase in both score and rank in the region, moving up to 82nd (of 122) in 2014 from 88th (of 112) in 2013, reflecting higher respondent ratings for security (+41 points), and socioeconomic agreements and trade barriers (+20 points each).

## Comments on Europe

The comments in the following section have been edited for length, grammar and spelling, to retain confidentiality, and to clarify meanings.

### Finland

*Natura 2000 is an EU biodiversity policy that covers almost 18% of the EU's land area. Natura 2000 sites cover about 15% of Finland and approximately 30% of Northern Finland (Lapland). Natura 2000 was never meant to be a system of strict nature reserves where all human activities are excluded—including exploration. EU Guidance requires a plan or project likely to have a "significant effect" on a Natura 2000 site to undergo an "Appropriate Assessment." The requirement in Finland to complete a 1- to 2-year long and expensive EIS-style Natura Assessment study, which then takes an additional 6 months or more to review by overworked environmental authorities [just] for early staged exploration (which is a low impact activity), will stop grassroots exploration in 30% of Lapland. Finland needs to sort out land use issues related to Natura 2000 if it wants future commercial exploration activities to find its next generation of mines.*

*Lowered their corporate tax rate to encourage investment.*

*Finland regularly reaches out to companies actively exploring in Finland, although much of this attention is directed to major mining companies who are contemplating major mining projects in Finland. There are no tax or financial breaks given to junior mining companies necessary to attract and undertake the very risky business of exploration, and the decision to invest in Finland by a junior is based in large part on the geological merits of a project.*

### France

*Delay in decision passing over the deadline for permitting.*

### Greenland

*There was a sudden introduction of a royalty after the last election. Due to technical difficulties in the administration, legislation came to apply to certain previously awarded exploration licenses.*

*Removal of the prohibition of uranium mining.*

### Ireland

*Local county council imposed a blanket mining ban for a large area of the county despite the government having issued a prospecting license and though considerable exploration expenditure had been incurred.*

*Extremely slow decision making.*

*Ensuring smooth procedure for drilling.*

*The implementation of the TELUS Border Survey. This geophysical and geochemical program will hopefully cover the whole country and provide a catalyst for new investment.*

### Norway

*Exploitation permission after a few months.*

### Portugal

*3 years to negotiate a simple exploration permit.*

*Simple exploration permitting process.*

### Russia

*Endless delays in conversion of exploration licences to mining permits puts the entire investment at risk, due to the uncertainty generated by absence of full title until the granting of a discovery certificate.*

*Within the last year, the Russian Federation has relaxed taxation and regulation parameters to significantly encourage the development of mines in Far East Russia.*

### Sweden

*Simple exploration permitting process.*

*Sweden has an outstanding regulatory system regarding data and databases that are available to the public.*

*Sweden takes its land use planning and future mineral resources seriously. Areas of particularly valuable mineral substances are declared national interests by the Swedish Geological Survey under national interest provisions found in the Swedish Environmental Code, which states that areas containing deposits of valuable substances or materials that are of national interest shall be protected against measures that may be prejudicial to their extraction. Within such areas, municipalities and central government agencies may not plan for or authorize activities that might prevent or be prejudicial to the exploitation of mineral resources.*

### Turkey

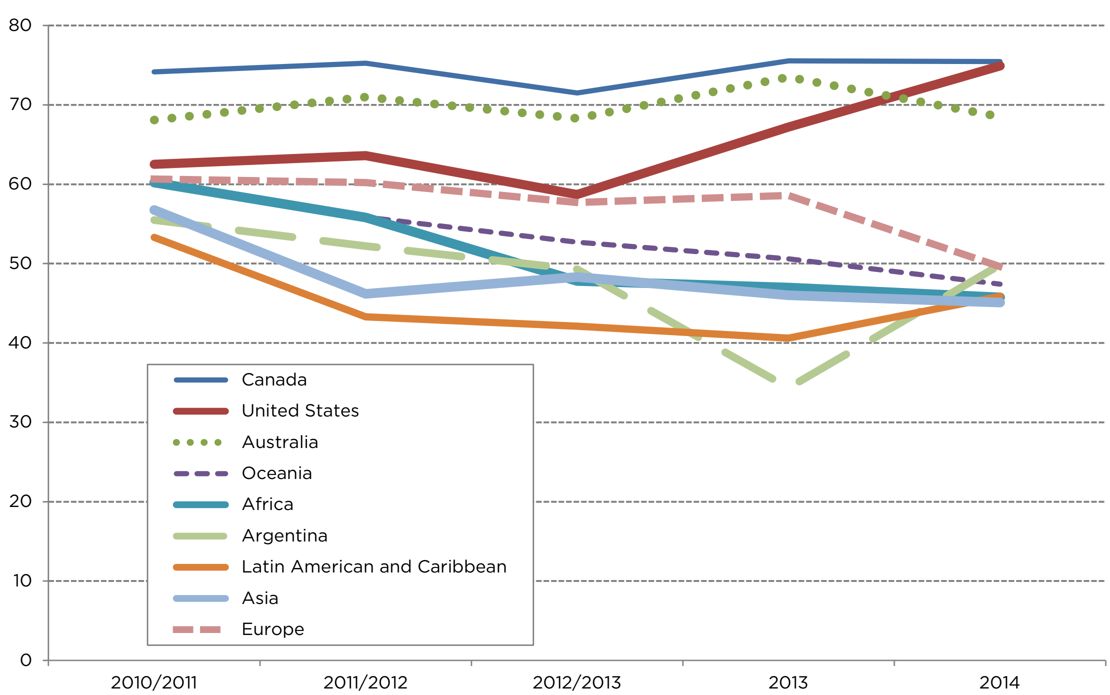
*There is extreme difficulty getting any environmental and other permits/licenses from the government due to the politics of the Erdogan administration.*

# Overview

An analysis of the regional trends in the results of the Investment Attractiveness Index (based on both mineral potential and policy factors) from the 2014 mining survey indicates a stark difference between geographical regions; notably the divide between Canada, the United States and Australia, and the rest of the world. As figure 15 indicates, only one region—Argentina—saw a significant increase in its relative investment attractiveness, experiencing a 45 percent increase in its score. In general, the climate for investment appears to be diminishing.

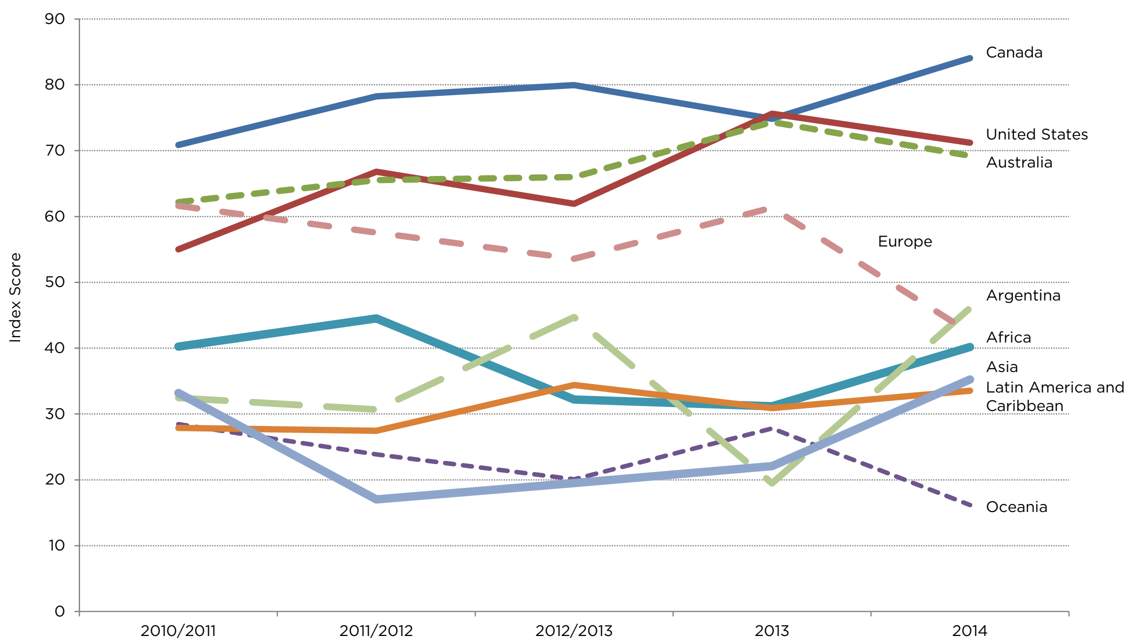
The regional trend for policy measures (figure 16) appears to be undergoing large shifts, both positive and negative. Argentina's median score experienced an increase of 137 percent, and the region now performs better as a whole than does Europe. Asia (up 60 percent) and Africa (up 29 percent) also experienced large positive shifts. Oceania and Europe experienced declines of 42 percent and 31 percent, respectively.

## Figure 15: Median Investment Attractiveness Index Score



Also of interest is the difference in results between regional median investment attractiveness and the Policy Perception Index. For example, the United States continued to improve its investment attractiveness, while performing worse as a region on the PPI. This indicates that what is driving the region's attractiveness is the pure mineral potential and not improvements in policy. For regions experiencing this phenomenon, policy reform and enhancement could go a long way to further increasing the attractiveness of investment to the region.

## Figure 16: Median Policy Perception Index Score



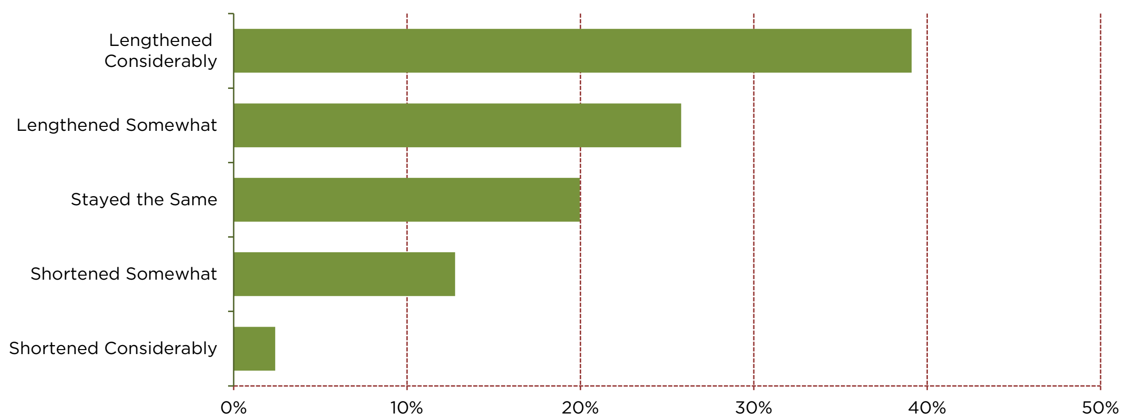
# Optional Questions

## Optional Question One

Miners were asked to estimate how the time for permit approval has changed over the last 10 years (figure 17). The results were dramatic. Approximately 65 percent of respondents indicated that the time for permit approval has increased from 10 years ago. Thirty-nine percent indicated that this time has lengthened considerably, while 26 percent indicated that it has lengthened somewhat. About 20 percent of respondents said there was no change. Only 15 percent of respondents indicated that the time for permit approval has shortened (13 percent said somewhat, and only 2 percent said considerably).

Miners indicated that increases in bureaucratic and regulatory requirements, lengthy 'stakeholder' consultations, and NGO pressure are driving up not only the time it takes to receive permit approval, but also the costs associated with investment.

### Figure 17: Changes in the time to permit approval over the last 10 years

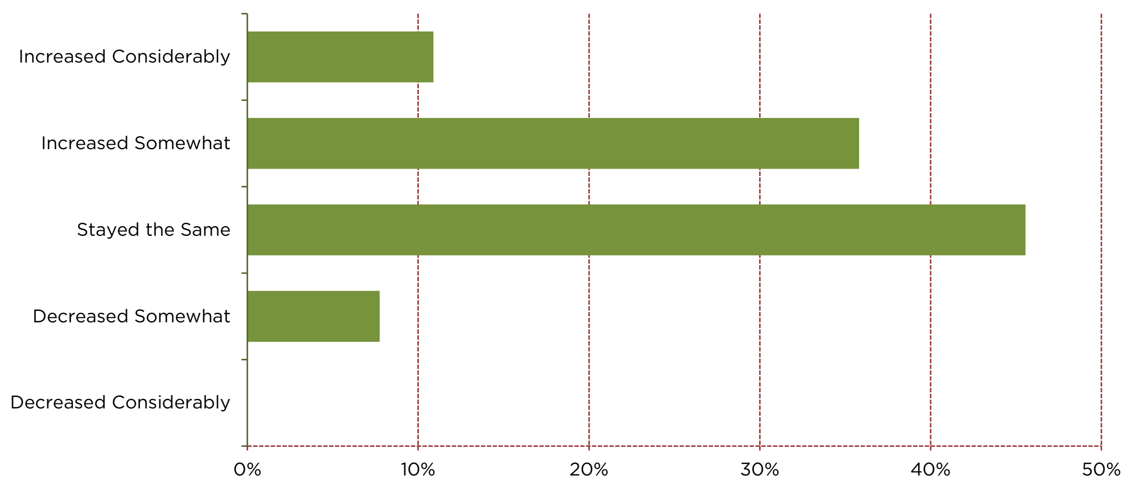


### Optional Question Two

Miners were also asked how the cost of transporting goods to market has changed over the last 10 years (figure 18). Just under half of respondents indicated that costs have increased; 11 percent indicated that these increases were considerable. Just over 45 percent of miners said the costs have remained the same. Only a small minority noted decreases in these costs.

Miners indicated that the major contributing factor for this shift has been the global increase in the cost of fuel. They also indicated that rising costs associated with infrastructure and labour contribute to the increase.

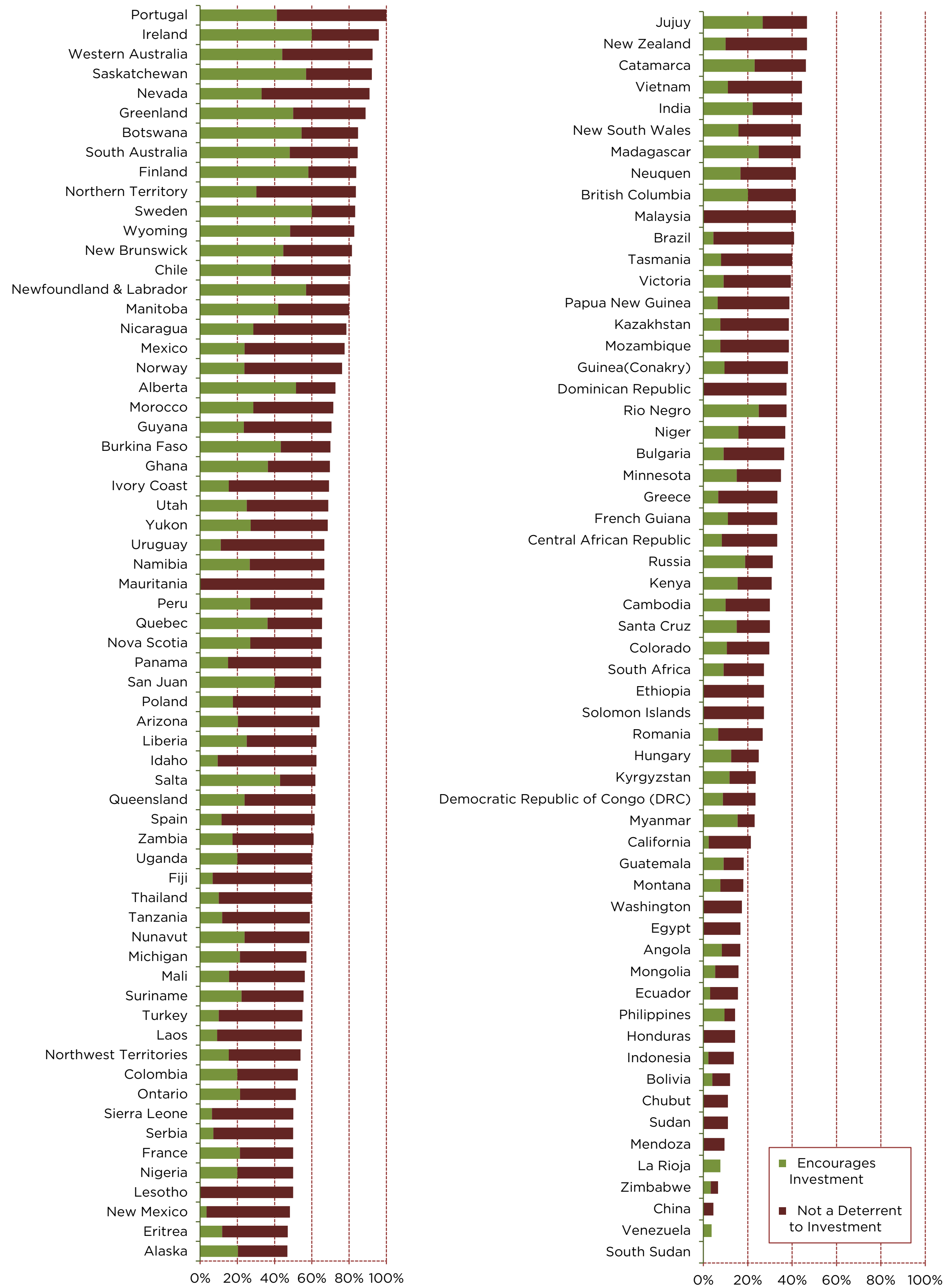
#### Figure 18: Changes in the cost of transporting goods to market over the last 10 years



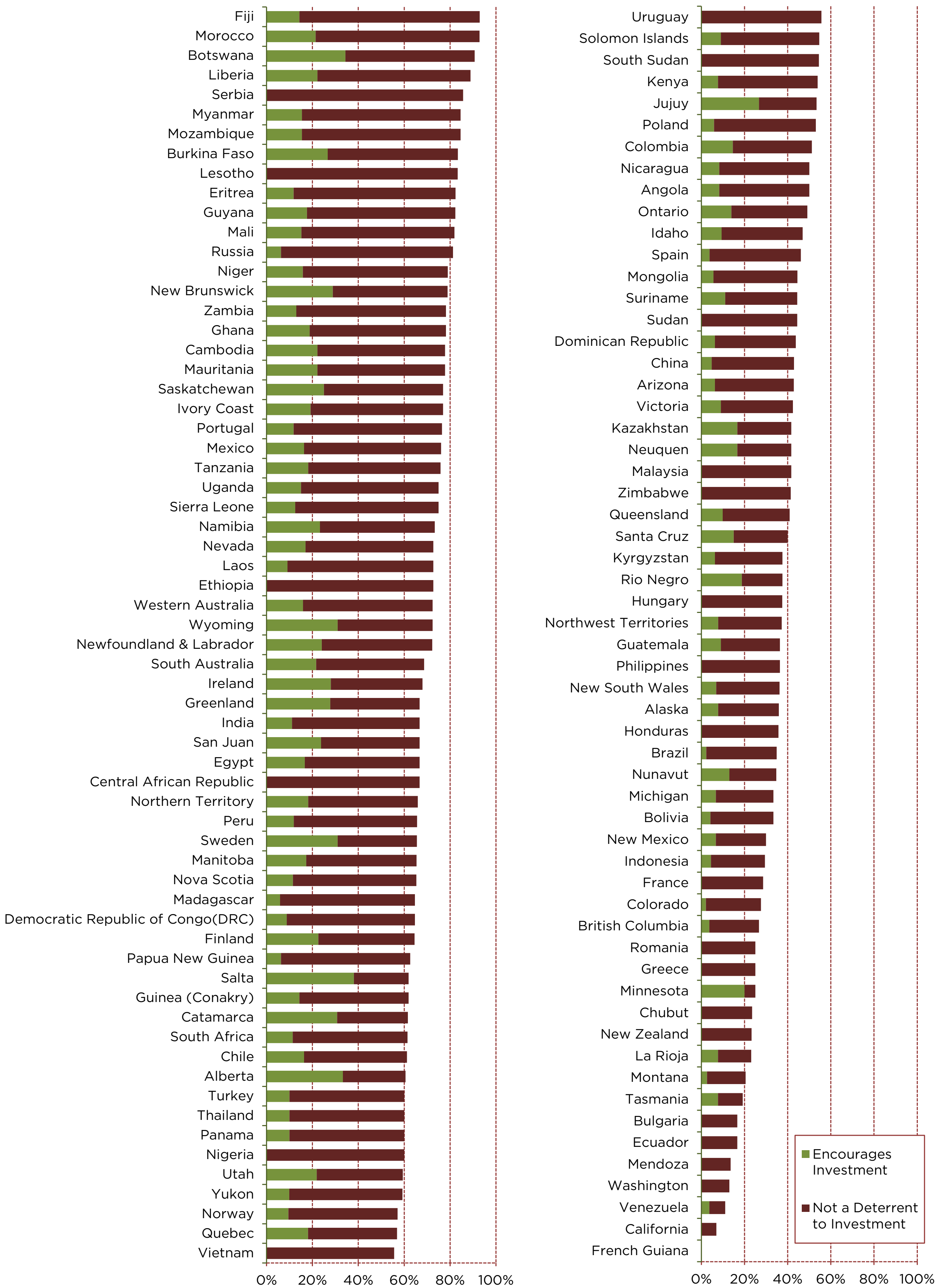

# Explanation of the Figures

Figures 19 through 33 show the percentage of respondents who rate each policy factor as "encouraging investment" or "not a deterrent to investment" (a "1" or "2" on the scale). Readers will find a breakdown of both negative and positive responses for all areas online at www.fraserinstitute.org.

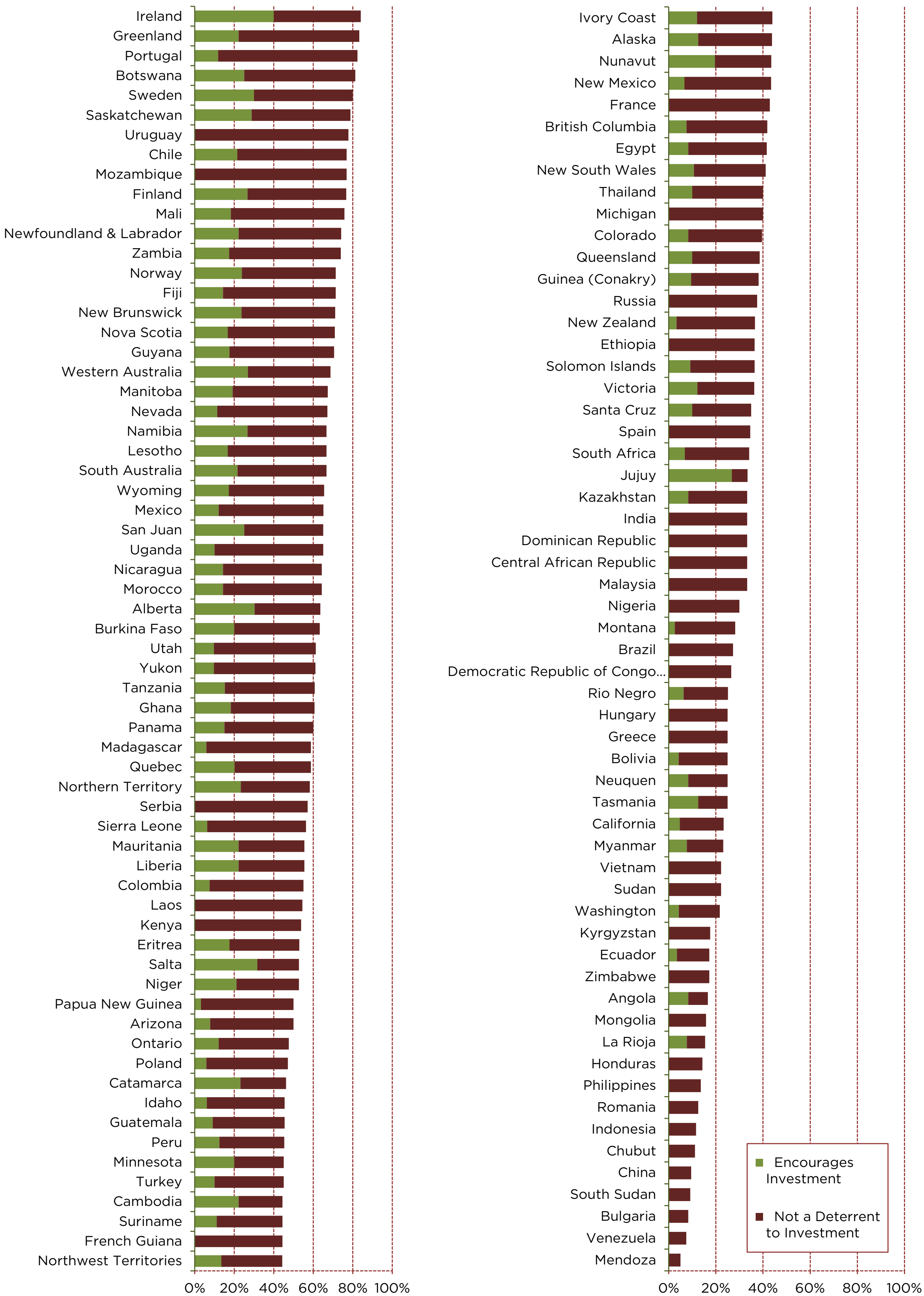
## Figure 19: Uncertainty Concerning the Administration, Interpretation and Enforcement of Existing Regulations



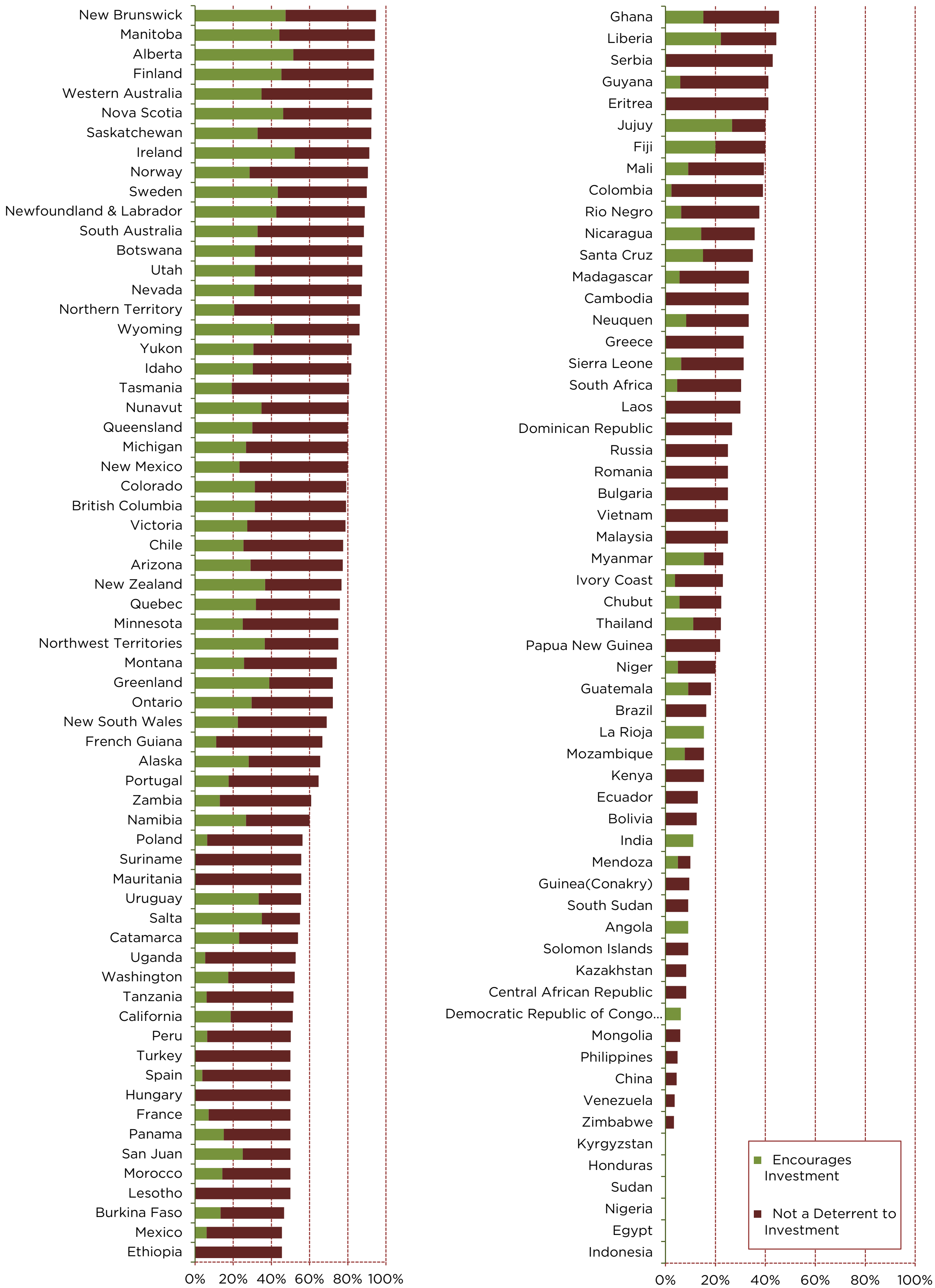
## Figure 20: Uncertainty Concerning Environmental Regulations



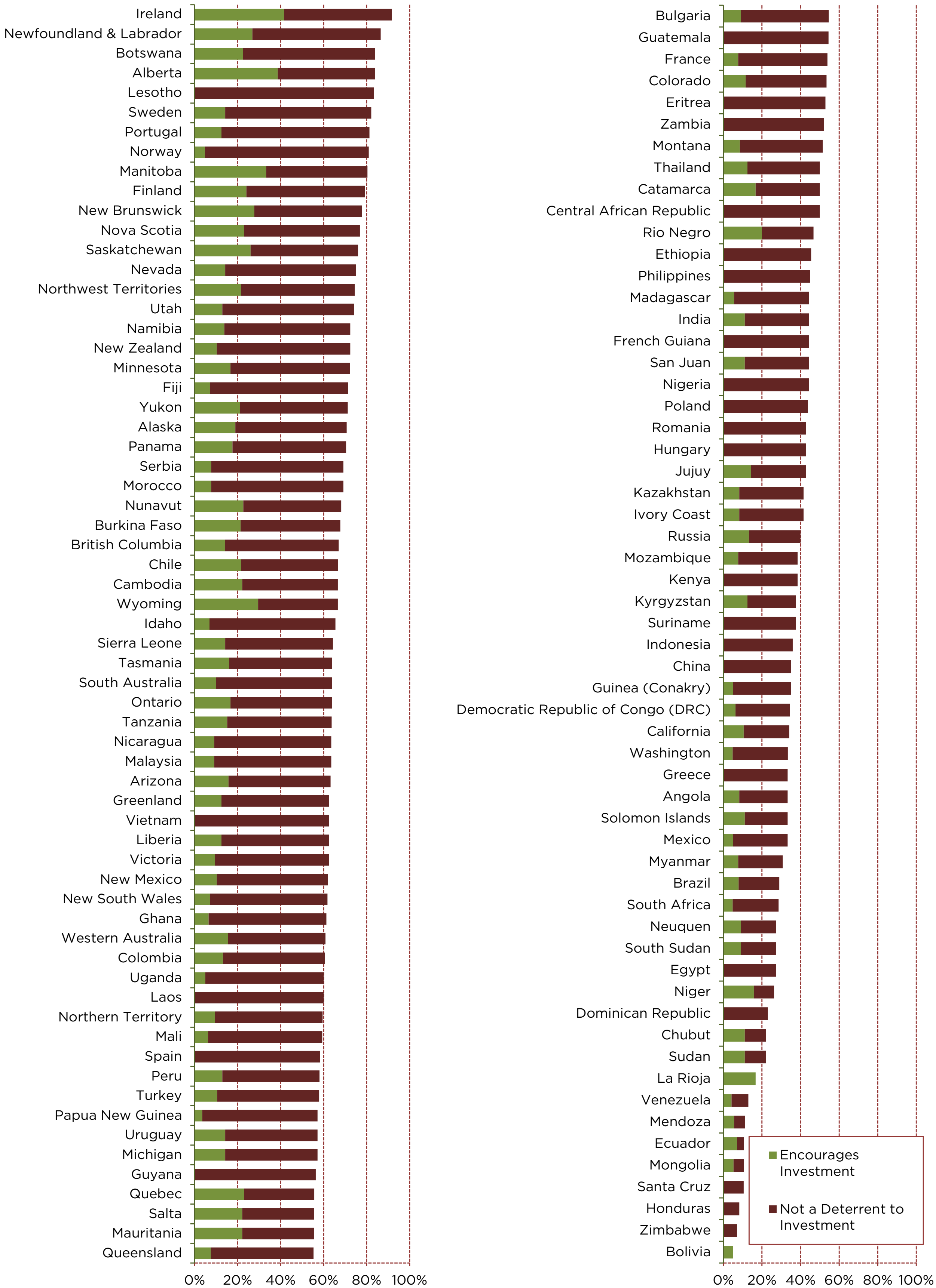
## Figure 21: Regulatory Duplication and Inconsistencies



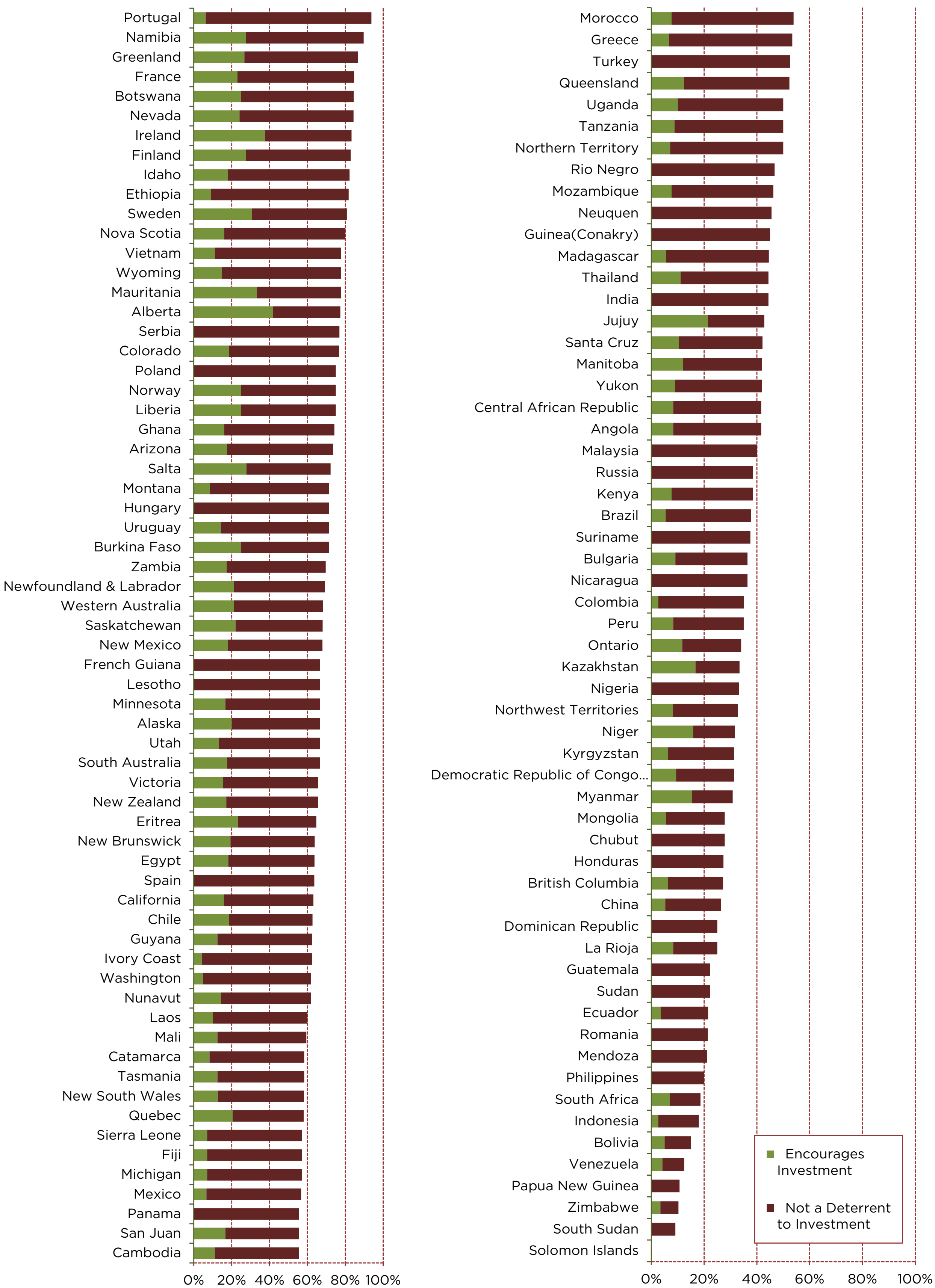
## Figure 22: Legal System



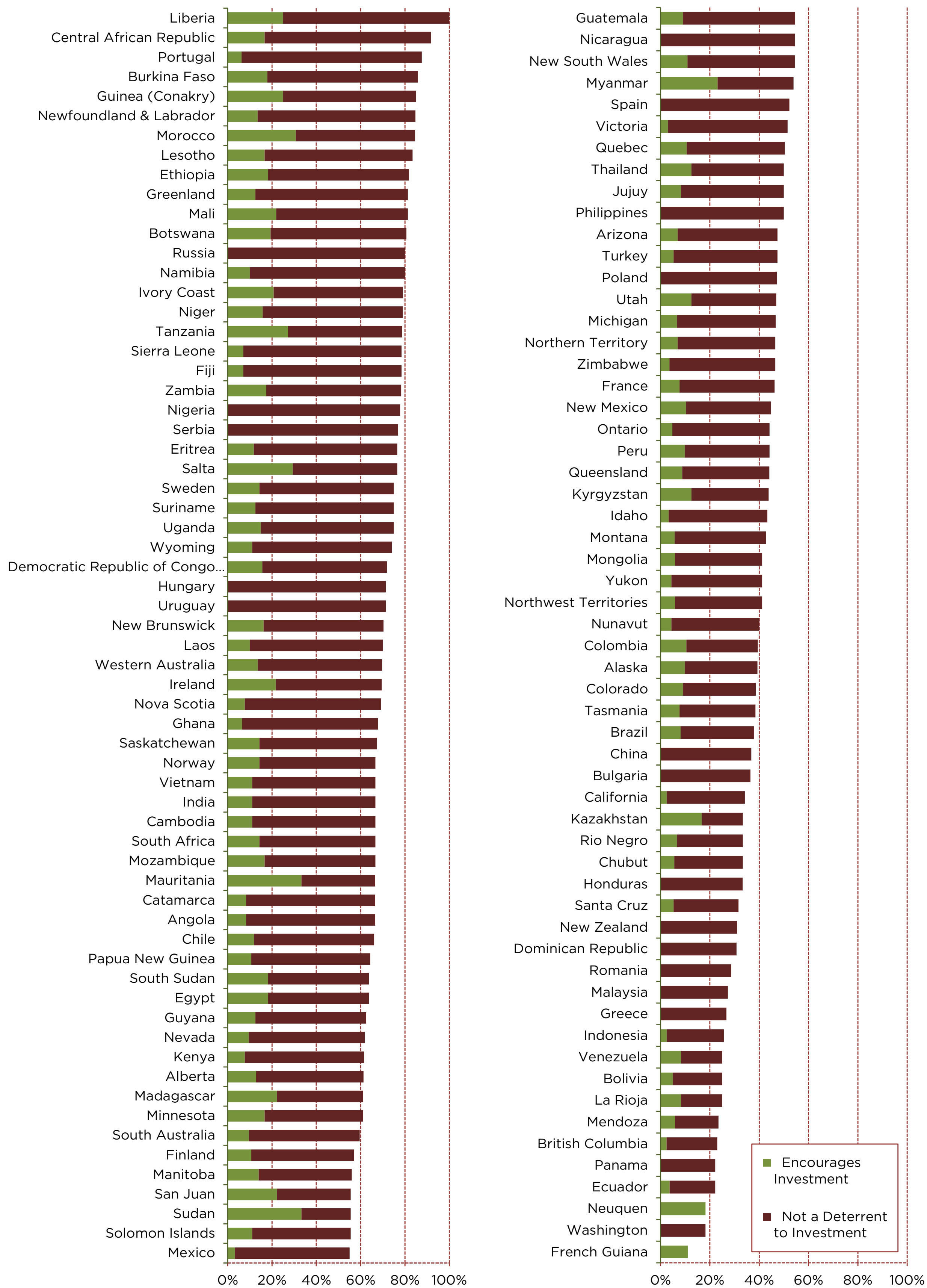
## Figure 23: Taxation Regime



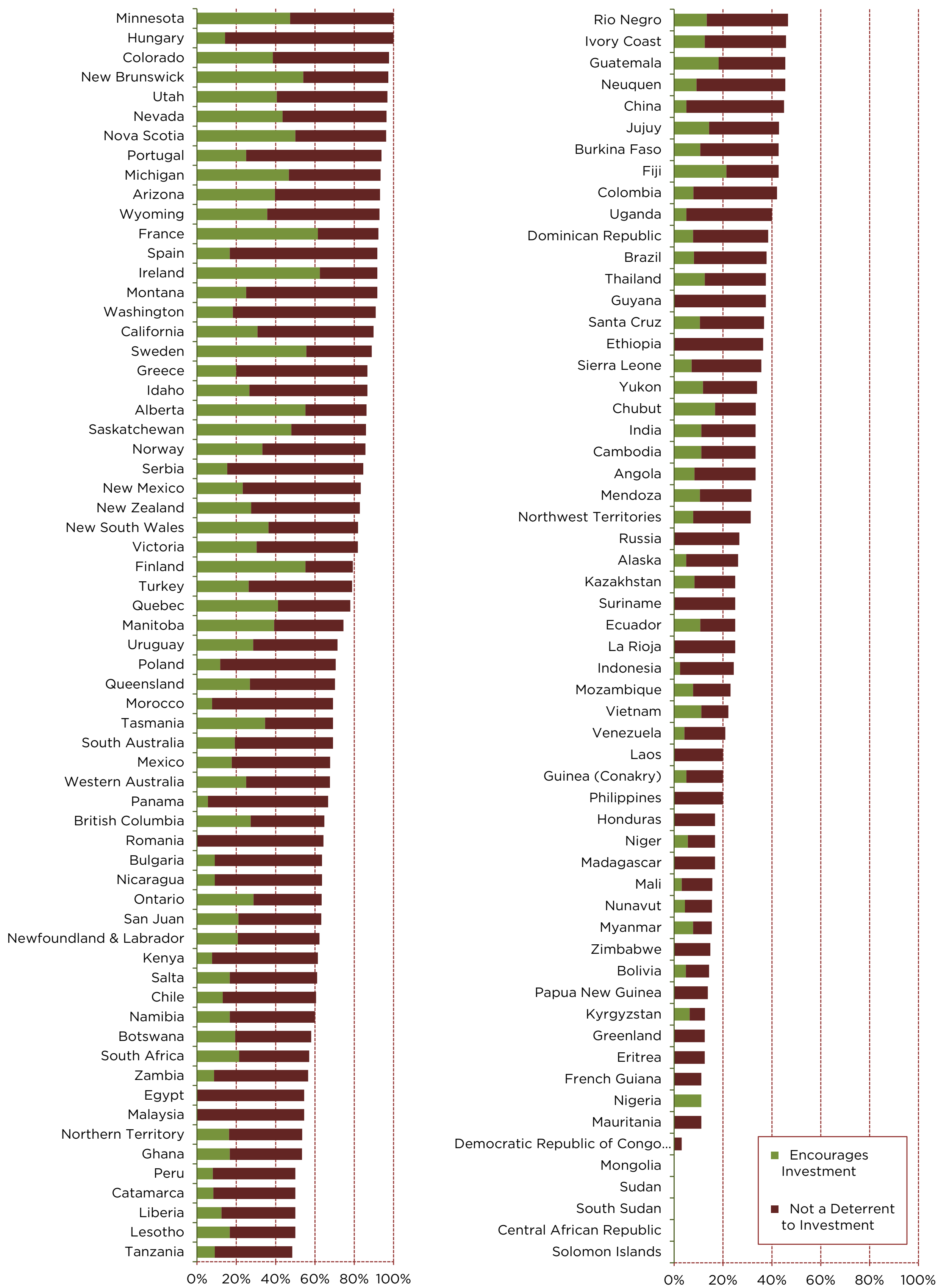
## Figure 24: Uncertainty Concerning Disputed Land Claims



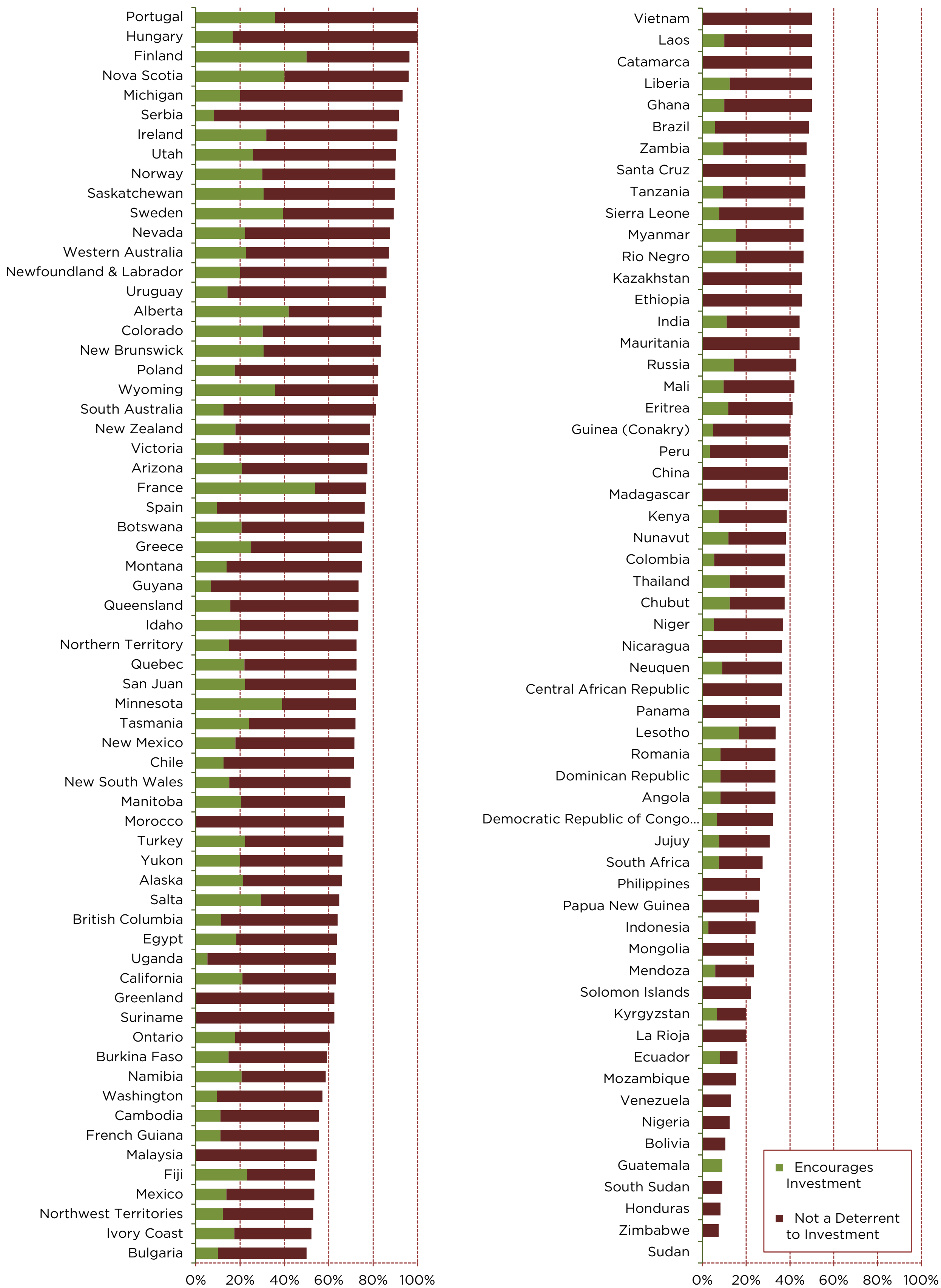
## Figure 25: Uncertainty Concerning Protected Areas



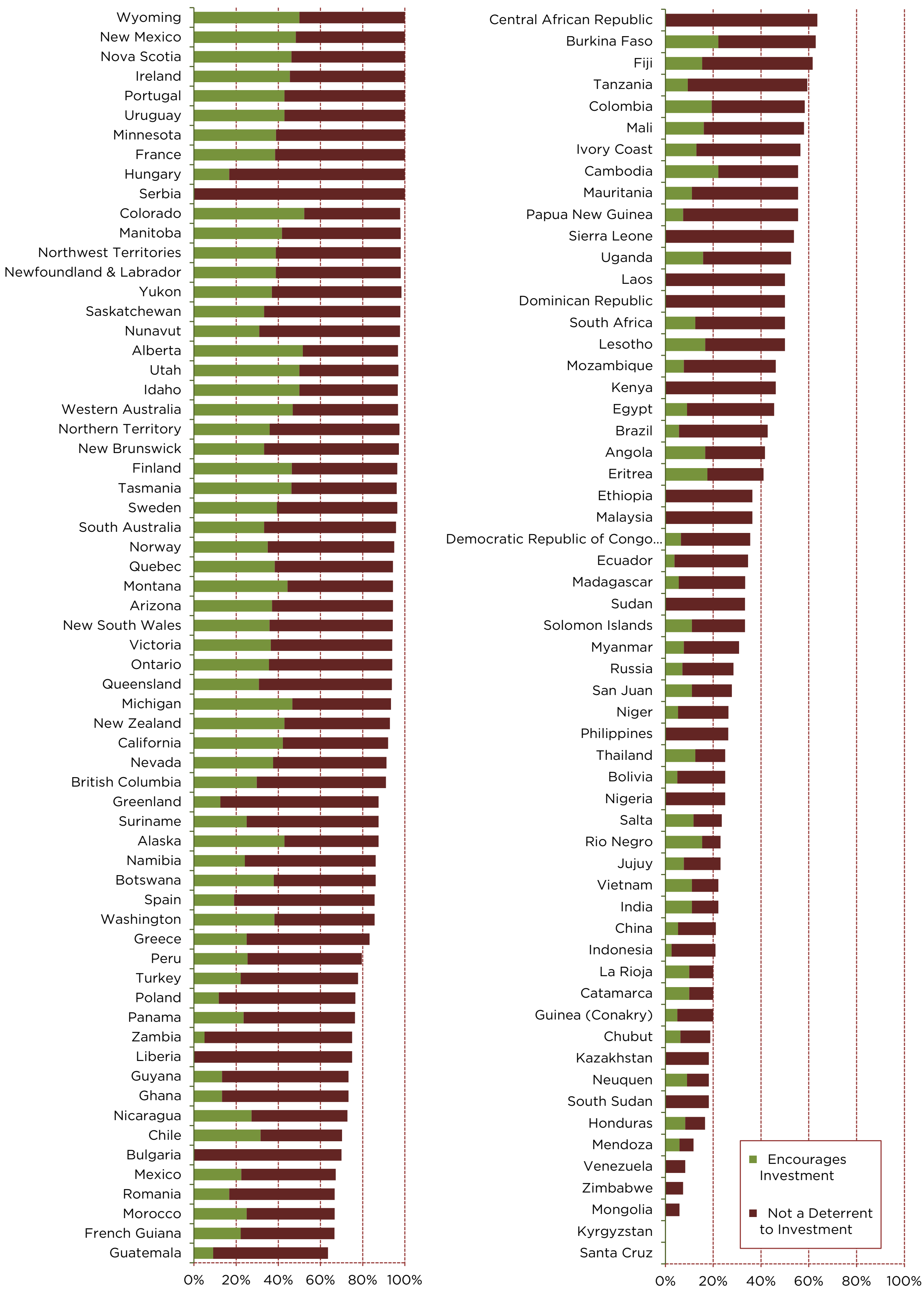
## Figure 26: Quality of Infrastructure



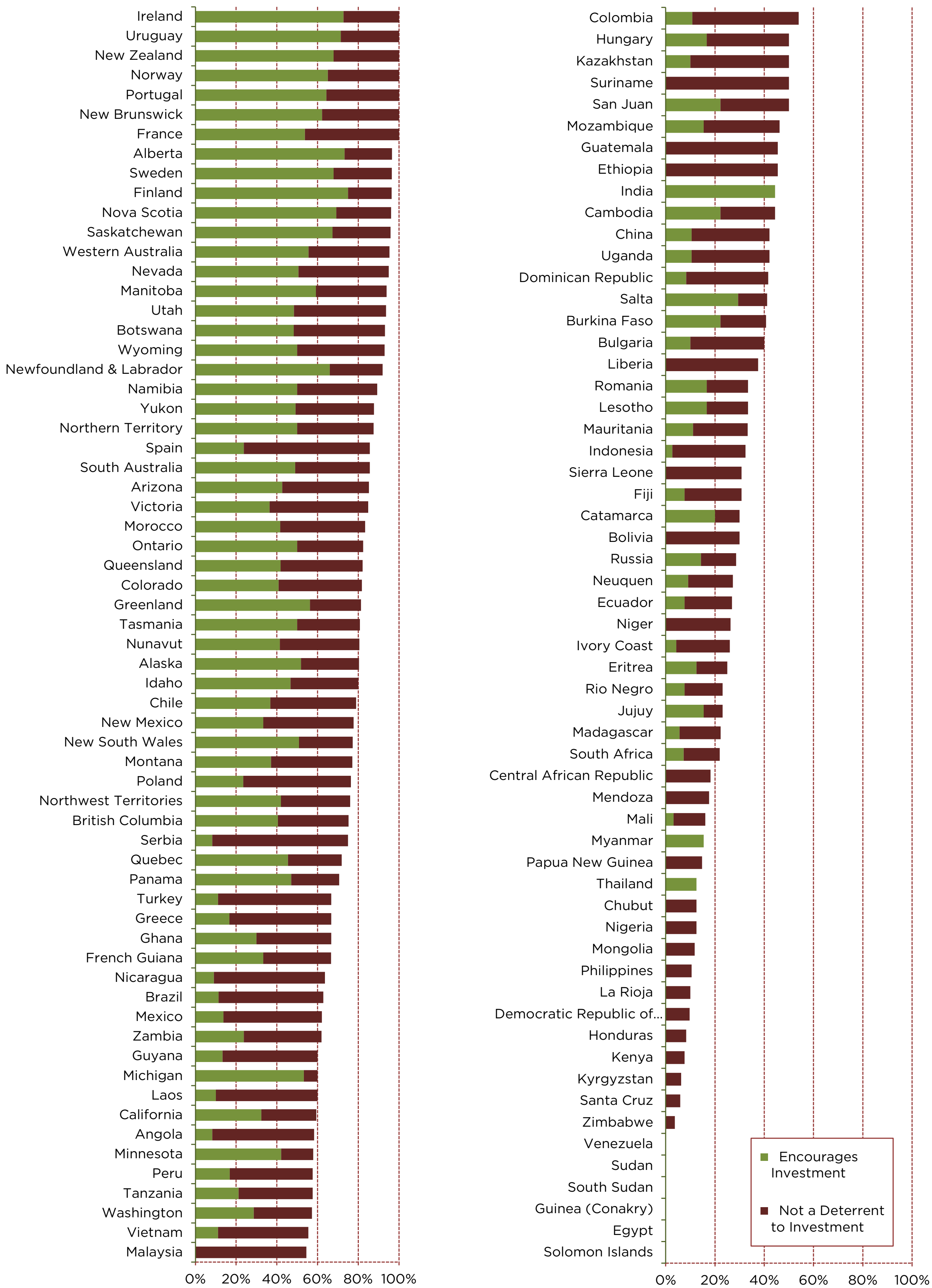
## Figure 27: Socioeconomic Agreements/ Community Development Conditions



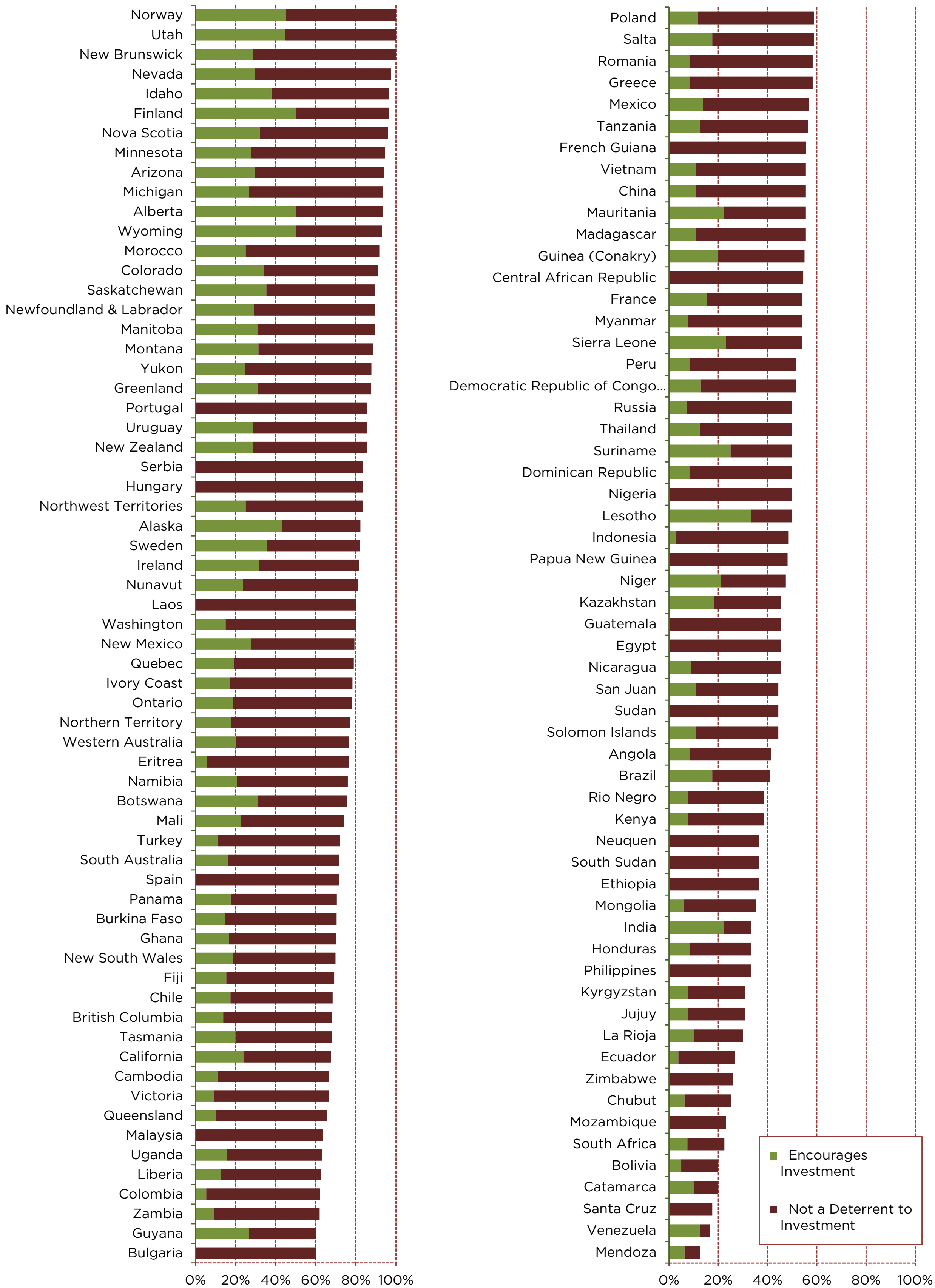
## Figure 28: Trade Barriers



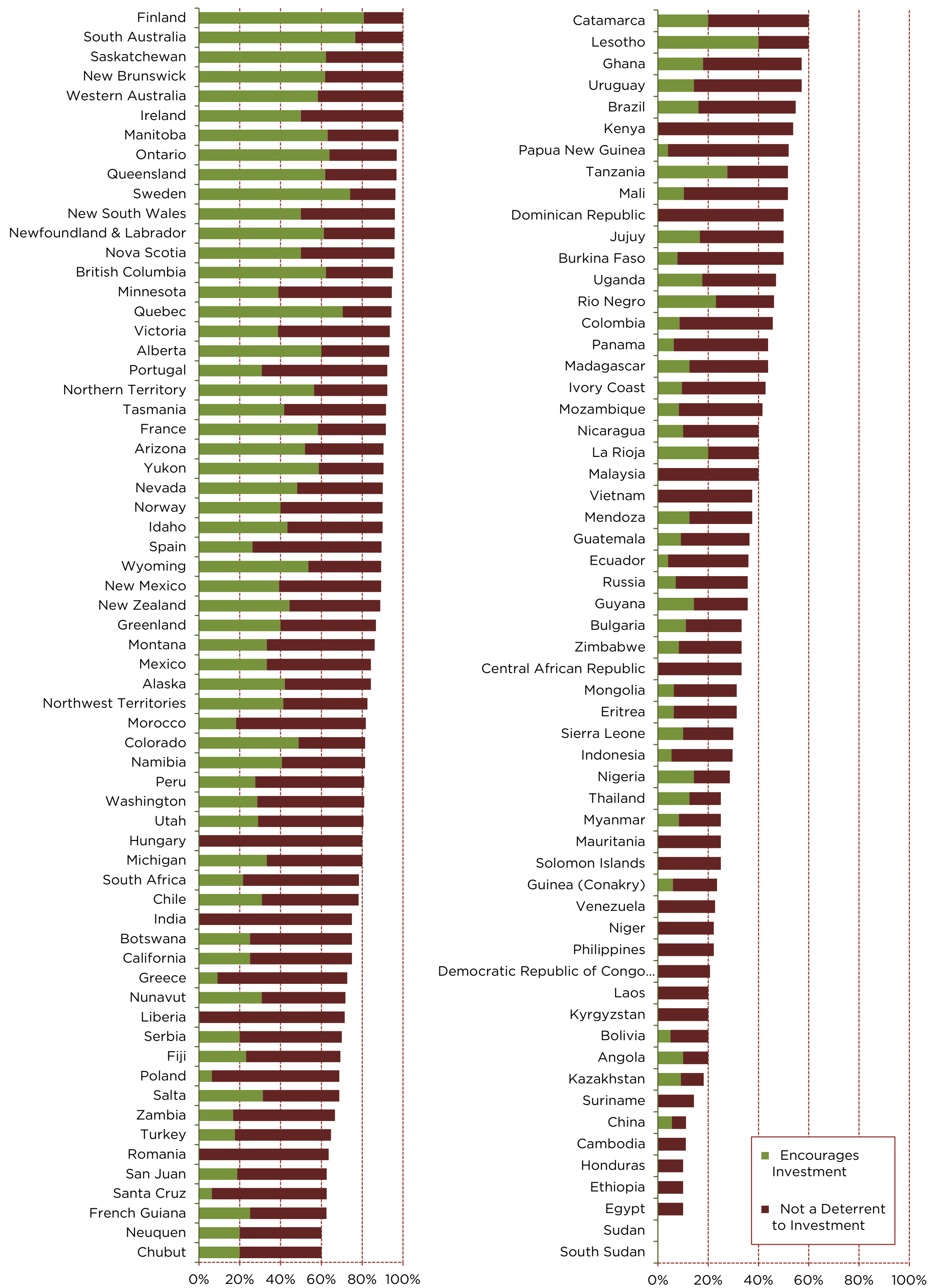
## Figure 29: Political Stability



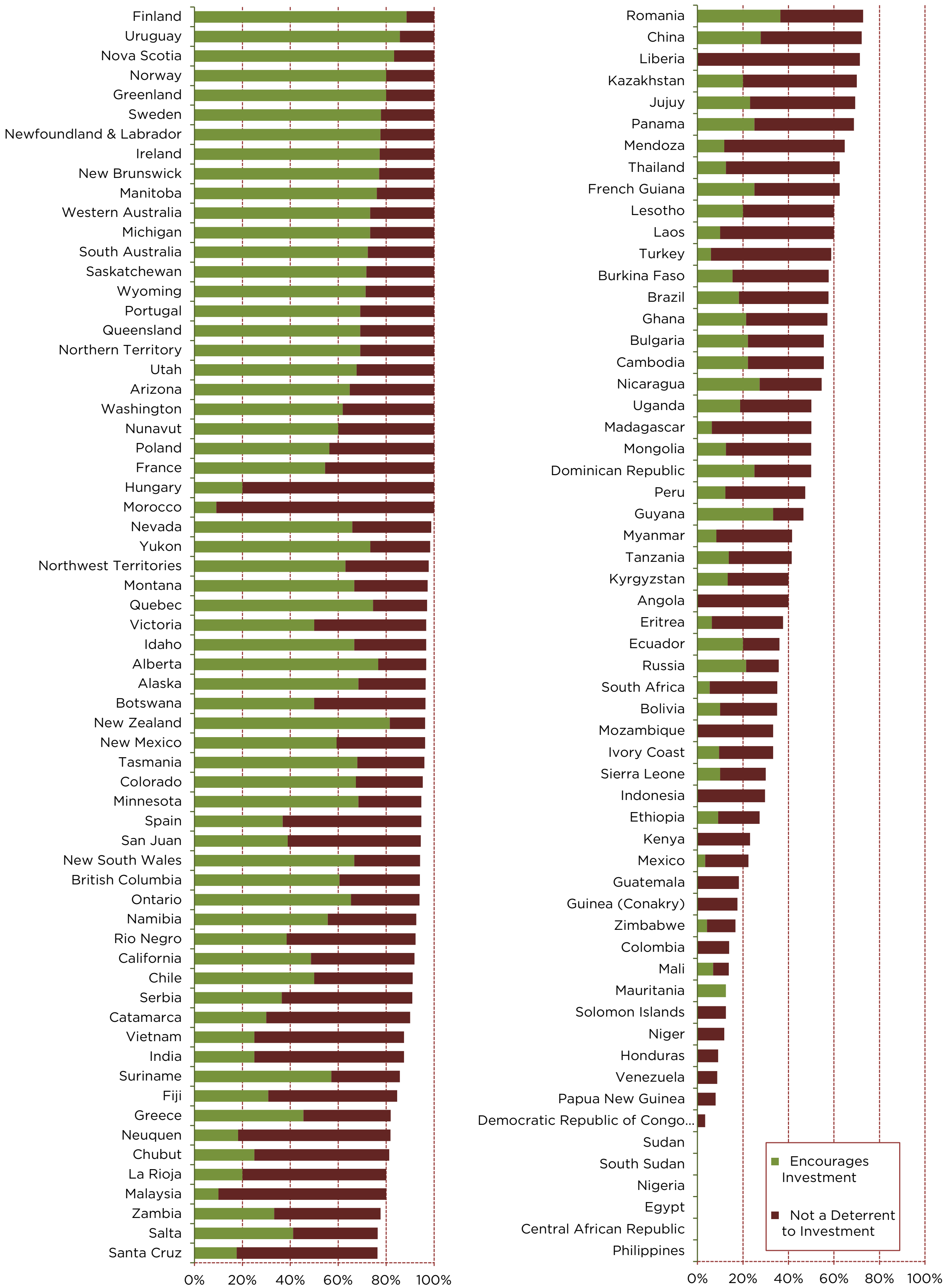
## Figure 30: Labor Regulations/Employment Agreements and Labour Militancy/Work Disruptions



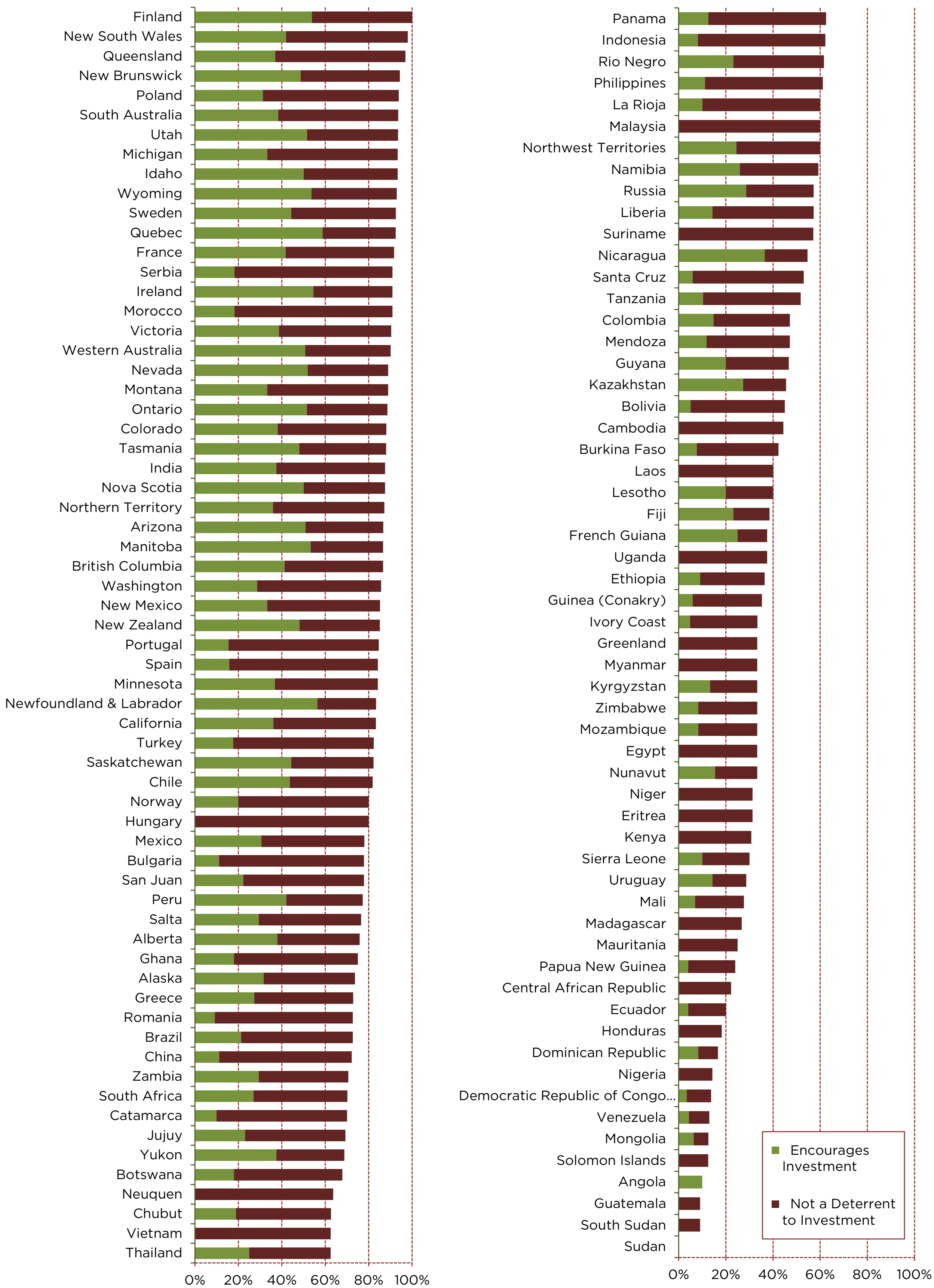
## Figure 31: Geological Database



## Figure 32: Security



## Figure 33: Availability of Labor/Skills



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The mining survey is completed anonymously and we ensure confidentiality for all survey respondents.

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