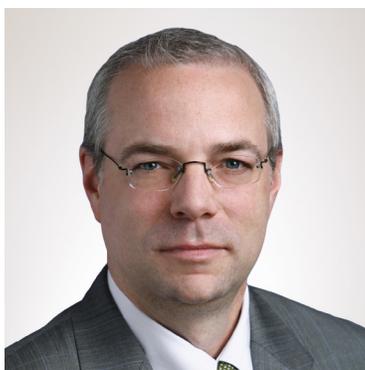


TalkingPoints

The S&P/TSX Global Mining Index



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What's driving current interest in this index?

The S&P/TSX Global Mining Index tracks equity securities of major companies in the North American mining industry. As metals prices rise, more projects become economically viable for these companies and their fortunes tend to rise. So when precious and industrial metal prices rally, as they have recently, the index tends to follow suit.

Within the realm of North American mining industry equities, what types of securities specifically are eligible for inclusion?

Eligible equity securities are issued by companies that come from six GICS® sub-industries – Aluminum, Diversified Metals & Mining, Copper, Gold, Precious Metals & Minerals, Silver, and Coal & Consumable Fuels. Each security must also be listed in Canada or the U.S., and meet various criteria for market capitalization and liquidity.

How has the index performed recently?

After an extended period of challenging performance, returns in the past year have been quite strong, with the index up over 50% before dividends.

So what role, if any, can the index potentially play in the future of the mining industry?

The index provides a yardstick for the cost of equity capital in North America for extractive industries. These industries are quite capital-intensive so having an appropriate equity benchmark is imperative. Canada, in particular, is a hub for capital-raising in the precious and industrial metals mining industries, so the index serves the need for a barometer of market conditions for this specialized niche.

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