

AXIS
/ Mining



Mining & Mineral Exploration

Cost of General Liability Insurance



“What is the cost of General Liability Insurance for a Mining or Mineral Exploration company?”

As you may expect this is a question we are frequently asked.

Have questions? We have the answers.

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Let's backtrack a bit – First, what does a liability policy do for you?

A CGL, covers the Insured (you) against your liability arising from Bodily Injury and Property Damage. Coverage is triggered when someone alleges you caused an injury or damaged their property. This could arise from contractors working on your behalf on an exploration project, people visiting your premises, or while you or your employees, are working away from the premises. There are other aspects to the coverage such as non-owned vehicle risks, tenant's legal liability and personal injury (libel and slander).

Protecting the assets of your company is of paramount concern. The insurance market is undergoing significant change and premiums for many insurance products are rising.

How can we help YOU?

While many variables affect the cost of liability insurance for exploration projects, The Axis Mining Team has developed a highly competitive and bespoke policy for exploration companies.

This enables us to provide clear insights into how CGL insurance coverage is underwritten and priced so you can focus on the more important issues such as:

- ✓ Coverage Quality
- ✓ Removal of Potential Coverage Gaps and Uninsured Exposures
- ✓ Strength and Service Commitment of the Insurance Provider
- ✓ Expertise of the Broker
- ✓ Claims Management



After all you are buying this insurance product to protect the corporate balance sheet. It is integral to ensure your exploration budgets are deployed to advance your projects, and not used to pay for uninsured losses.

So let's get that Pricing question out of the way!

Coverage terms and pricing can be influenced by many factors specific to each company. The following table however, is a typical pricing model based on a range of standard rating factors based on our bespoke coverage offering that is one of the broadest available specifically for exploration firms. Policies with restrictive coverage may be available from alternative insurers at slightly lower premiums.

Coverage is typically purchased with limits between \$2,000,000 and \$10,000,000 (higher limits are available). The model below is based on a Limit of Liability of \$5,000,000.



Exploration Expenditure	Development Stage								
	Prospecting			Drilling - PEA			Feasibility		
	Mapping, Staking, Ground / River Sampling, Trenching, Line Cutting / IP Surveys						Pre-feasibility, Feasibility, Environmental Assessment		
	Canada	USA	International	Canada	USA	International	Canada	USA	International
\$1,000,000	\$6,000	\$7,750	\$7,000	\$6,500	\$8,750	\$7,750	\$7,000	\$9,500	\$8,500
\$2,000,000	\$8,250	\$11,250	\$9,850	\$9,500	\$12,750	\$11,000	\$10,000	\$14,000	\$12,000
\$3,000,000				\$11,500	\$14,850	\$13,250	\$12,350	\$16,250	\$14,500
\$5,000,000				\$14,250	\$17,850	\$16,850	\$15,500	\$19,500	\$18,500
\$7,500,000				\$17,000	\$21,000	\$19,250	\$18,750	\$23,000	\$21,250
\$10,000,000				\$18,000	\$22,850	\$20,000	\$19,000	\$25,250	\$22,500



Assumptions of exposure included in pricing model

Broader coverage including:

- ✓ Non-owned Aviation risks – hiring of planes & helicopters
- ✓ Snowmobiles and ATV use for work – (see our CGL Coverage guide)
- ✓ Non-owned automobile use by employees of own autos for work or short-term work-related rentals (see our Guide on Non Owned Auto exposure)
- ✓ Pollution coverage – (see our White paper on Pollution exposure) Mobile equipment, above ground fuel tank storage



Risk factors that typically affect coverage and rating:

Project location and Accessibility



Projects located near populated or protected areas, municipal infrastructure, or existing mining operations

Subcontractors



Quality of subcontractors used, do they carry insurance and add you as additional insured

Projects in Politically Sensitive Areas



Operating Mine exposure



Aviation and Environmental Risks



Pollutants brought on to the project including aviation or drilling fuel, and details regarding quantity and storage related responsibility

Prior Claims History Unique to Each Company



Underground Exposures



Used or disused underground infrastructure including historic working such as tunnels, shaft and audits. Details regarding assessment surveys, sealing of openings and signage are important underwriting considerations.

Why Axis Mining Team?

Partnering on Experience & Expertise

The Mining Team at Axis Insurance shares a combined 70+ years providing best-in-class insurance service and solutions to the mining industry. We have experience partnering with mining companies with projects across Canada and all over the world. We understand stock market listings, how to explain share price fluctuations, navigating transactions and how to best position your company to insurance markets.



Next Step?

Let's engage in dynamic discussion around the factors and variables that are unique to your business so we can obtain the best product, from reliable and stable insurers to meet your needs.

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We invite you to visit our Mining Site to
download additional insights from our team
info.axisgroup.insure/mining

Mining Team



Clive Bird

Clive is an insurance risk specialist, investor, entrepreneur, and product developer for bespoke insurance risks. For over 15 years Axis Insurance enjoyed a reputation for quality, innovation, creativity and relationship building.

Clive began his Insurance career at Lloyd's of London, renowned for its technical underwriting expertise and a creative approach to risk, providing him with opportunities to push the boundaries of product innovation. Moving to the West Coast of Canada, he has expanded his broad Insurance knowledge and London market relationships to produce products for Canadian clients working across the globe.

Clive has worked extensively with public companies with a strong focus on mining and mineral exploration industry, addressing the broad range of risk exposures they face worldwide. Dynamic business enterprises are starved for the innovation and market relationships Clive can deliver. As an entrepreneurially-minded investor himself, he is embracing new technology and the shifting business landscape to stimulate new market capacity and technically efficient insurance products for the new business era.



Stacey Copeland

Stacey is an account executive with 30 years of experience focused in the resource-based industry in Western Canada. Stacey joined Finning International in 1997 after 7 years at AON, and was quickly promoted to a management position with a mandate to build a highly competitive insurance facility for Finning customers. A combination of high service excellence, successful claims management, and expanded insurance offering meant a fivefold increase in net profitability.

Stacey joined Axis Insurance in 2005 as a senior shareholder and partner, immediately helping the company grow through a series of strategic acquisitions and partnerships and was instrumental in the sale of the company in 2016 to the Vertical Group, now renamed the Axis Group. Although specializing in mining, mineral exploration, forestry and energy sectors, Stacey has expanded her knowledge to include construction, transportation, cryptocurrencies, blockchain and other emerging markets and technology risks.

She aligns herself with clients that are best in class and embraces their technical challenges, meets their high service expectations and considers it the ultimate success to place the broadest coverage, at competitive pricing with A+ rated insurers.



Canada's leading mining risk
management and insurance specialists.